
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Beijing Jingneng Clean Energy Co., Limited, you should at once hand this circular together with the enclosed proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**(1) DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION
IN RELATION TO THE PROPOSED SUBSCRIPTION
(2) PROPOSED ADOPTION OF THE SHAREHOLDER DIVIDEND RETURN
PLAN FOR THE NEXT THREE YEARS (2025-2027)
AND
(3) NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2025**

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**



Gram Capital Limited
嘉林資本有限公司

A letter from the Board is set out on pages 4 to 15 of this circular. A letter from the Independent Board Committee is set out on page 16 of this circular. A letter from Gram Capital containing its advice and recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 17 to 27 of this circular.

A notice convening the EGM to be held at Meeting Room 802, 8th Floor, No. 6 Xibahe Road, Chaoyang District, Beijing, the PRC on Friday, 16 May 2025 at 9:30 a.m. is set out on pages 31 to 32 of this circular. A proxy form for use at the EGM is enclosed with this circular and was also published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<https://www.jncec.com>). Whether or not you are able to attend the EGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the EGM (i.e., no later than 9:30 a.m. on Thursday, 15 May 2025) or any adjournment thereof (as the case may be).

Completion and return of the proxy form will not preclude you from attending and voting at the EGM should you so wish.

References to time and dates in this circular are to Hong Kong time and dates.

25 April 2025

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DEFINITIONS

The following expressions have the meanings set out below unless the context requires otherwise:

“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“BEH”	Beijing Energy Holding Co., Ltd. (北京能源集團有限責任公司), a limited liability company incorporated in the PRC and a controlling shareholder of the Company
“BEH Finance” or “Target Company”	BEH Finance Co., Ltd. (京能集團財務有限公司), a limited liability company incorporated in the PRC and a subsidiary of BEH
“Board”	the board of Directors of the Company
“BSCOMC”	Beijing State-owned Capital Operation Management Co., Ltd. (北京國有資本運營管理有限公司), which was established and wholly owned by the State-owned Assets Supervision and Administration Commission of the People’s Government of Beijing Municipality (北京市人民政府國有資產監督管理委員會)
“Business Day(s)”	any calendar day (other than a Saturday, a Sunday, or a statutory public holiday) on which banks are open for business in the PRC and/or Hong Kong
“Capital Increase Agreement”	the capital increase agreement dated 24 March 2025 entered into among BEH, the Company, Jingneng Power and BEH Finance in relation to the capital increase of BEH Finance in an aggregate amount of RMB5 billion
“Company”	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 PRC with limited liability, whose H shares are listed on the Hong Kong Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	the first extraordinary general meeting of 2025 of the Company to be held at 9:30 a.m. on Friday, 16 May 2025 at Meeting Room 802, 8th Floor, No. 6 Xibahe Road, Chaoyang District, Beijing, the PRC

DEFINITIONS

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	the independent board committee established by the Company (comprising Mr. WANG Hongxin, Mr. QIN Haiyan and Ms. HU Zhiying, all being independent non-executive Directors) to advise the Independent Shareholders in connection with the Proposed Subscription
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in connection with the Proposed Subscription
“Independent Shareholders”	Shareholders other than BEH and its associates who are Shareholders of the Company
“Jingneng Power”	Beijing Jingneng Power Co., Ltd. (北京京能電力股份有限公司), a subsidiary of BEH, whose shares are listed on the Shanghai Stock Exchange
“Latest Practicable Date”	17 April 2025, being the latest practicable date prior to the publishing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC” or “China”	the People’s Republic of China and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Proposed Subscription”	the subscription of additional registered capital of BEH Finance in the amount of RMB5 billion by BEH, the Company and Jingneng Power in cash in the same proportion according to their respective shareholding interest

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	means the ordinary share(s) of RMB1.00 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of ordinary share(s) of the Company
“Shareholder Dividend Return Plan for the Next Three Years (2025-2027)”	the shareholder dividend return plan for the next three years (2025-2027) of the Company
“%”	per cent

In this circular, unless the context otherwise requires, the terms “associate(s)”, “connected person(s)”, “connected transaction(s)” and “subsidiary(ies)” shall have the meanings given to such terms in the Listing Rules.



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)

Executive Directors:

Mr. CHEN Dayu (*Chairman*)

Mr. LI Minghui (*General Manager*)

Mr. ZHANG Wei

Non-executive Directors:

Mr. ZHOU Jianyu

Mr. SONG Zhiyong

Ms. ZHANG Yi

Independent non-executive Directors:

Ms. ZHAO Jie

Mr. WANG Hongxin

Mr. QIN Haiyan

Ms. HU Zhiying

Registered Office:

Room 118, 1 Ziguang East Road
Badaling Economic Development Zone
Yanqing District, Beijing
the PRC

Principal Place of Business in Hong Kong:

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai, Hong Kong

25 April 2025

To the Shareholders

Dear Sir/Madam,

**(1) DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION
IN RELATION TO THE PROPOSED SUBSCRIPTION
(2) PROPOSED ADOPTION OF THE SHAREHOLDER DIVIDEND RETURN
PLAN FOR THE NEXT THREE YEARS (2025-2027)
AND
(3) NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2025**

I. INTRODUCTION

References are made to the announcement of the Company dated 24 March 2025 in relation to the Proposed Subscription and the announcement of the Company dated 22 April 2025 in relation to the proposed adoption of the Shareholder Dividend Return Plan for the Next Three Years (2025-2027).

LETTER FROM THE BOARD

The purpose of this circular is to provide you with details regarding, among other things, (i) further details in relation to the Proposed Subscription, (ii) the letter from the Independent Board Committee containing its opinion and recommendations to the Independent Shareholders in relation to the Proposed Subscription, (iii) the letter from Gram Capital to the Independent Board Committee and the Independent Shareholders, (iv) other information as required under the Listing Rules, (v) the proposed adoption of the Shareholder Dividend Return Plan for the Next Three Years (2025-2027) and (vi) the notice of the EGM to the Shareholders on convening the EGM.

II. PROPOSED SUBSCRIPTION

1. Capital Increase Agreement

The principal terms of the Capital Increase Agreement are set out below:

Date : 24 March 2025

Parties : BEH;

The Company;

Jingneng Power; and

BEH Finance (as the “**Target Company**”)

Increase in Capital of BEH Finance and the Proposed Subscription : The registered capital of the Target Company will increase from RMB5 billion to RMB10 billion, with an additional capital contribution of RMB5 billion, which will be subscribed by BEH, the Company and Jingneng Power in cash in the same proportion according to their respective shareholding interest. Of which, BEH, the Company and Jingneng Power will subscribe and pay RMB3 billion, RMB1 billion and RMB1 billion, respectively. Upon the completion of the Proposed Subscription, the shareholding interest held by BEH, the Company and Jingneng Power in the Target Company will remain unchanged at 60%, 20% and 20%, respectively.

LETTER FROM THE BOARD

- Conditions precedent** : The effectiveness of the Capital Increase Agreement is conditional upon the fulfilment of the following conditions:
- (i) the Capital Increase Agreement having been signed by the legal representatives (principal) or their authorized representatives of the parties and affixed with the official corporate seal or the specialized contract seal of each party;
 - (ii) the parties having performed and completed internal decision-making procedures in respect of Proposed Subscription pursuant to relevant applicable laws and regulations;
 - (iii) the Capital Increase Agreement having been approved by the general meeting of the Company; and
 - (iv) the Capital Increase Agreement has been approved by the shareholders' meeting or the board of directors of Jingneng Power.
- Payment schedule** : Subject to the fulfilment of the above-mentioned conditions, BEH, the Company and Jingneng Power shall pay their respective subscription monies within 10 Business Days after the Capital Increase Agreement takes effect. Each party shall make a full payment of their respective subscription amounts to the Target Company in accordance with the Proposed Subscription, in one lump sum. They shall also ensure that the Target Company submits the application for capital increase approval after completing the capital verification procedures as required by the financial regulatory authorities.

2. Basis of Determining the Consideration

The additional capital contribution of RMB5 billion under the Capital Increase Agreement was determined through arm's length negotiations, taking into account a number of factors, such as the business nature, working capital requirements and future development plans of BEH Finance. In particular, the additional capital contribution of RMB5 billion is determined after taking into account the following:

In accordance with the Administrative Measures for Group Finance Companies (《企業集團財務公司管理辦法》, the “**Administrative Measures**”), BEH Finance's business development requires capital support, while satisfying the regulatory requirements on certain ratios, including the capital adequacy ratio. Capital adequacy ratio prescribes that the ratio of net capital to risk-weighted assets of a finance company shall not be lower than 10.5%. Capital adequacy ratio is an important indicator of BEH Finance's ability to resist risks. With the expansion of BEH Finance's credit business and investment business, its capital adequacy ratio is decreasing year by year, and the buffer zone between its capital adequacy ratio and the minimum regulatory indicator is shrinking year by year.

According to the internal data collated by China National Association of Finance Companies (中國財務公司協會) and relevant data provided by BEH Finance, as at 31 December 2024, BEH Finance's capital adequacy ratio (being 22.21%), although exceeding the minimum requirement stipulated by the Administrative Measures, was 2.09 percentage points lower than the average capital adequacy ratio of finance companies owned by local state-owned enterprises. Upon completion of the Proposed Subscription, the capital adequacy ratio (excepted to be higher than 30%) of BEH Finance would be higher than the average capital adequacy ratio of finance companies owned by local state-owned enterprises as at 31 December 2024. Increasing the capital of BEH Finance will help increase its capital adequacy ratio, thereby optimising its capital structure, mitigating systemic risk, as well as strengthening the sustainability of BEH Finance. It will also help increase the Company's investment efficiency, enable the Company to enjoy long-term and stable financial support and is in line with the Company's development strategy.

LETTER FROM THE BOARD

3. Shareholding Structure of BEH Finance

The following diagram sets out the shareholding structure of BEH Finance immediately before and after completion of the Proposed Subscription:

Name of shareholder	Immediately before completion of the Proposed Subscription		Immediately after completion of the Proposed Subscription	
	Registered capital of BEH Finance (RMB0'000)	Percentage	Registered capital of BEH Finance (RMB0'000)	Percentage
BEH	300,000	60%	600,000	60%
The Company	100,000	20%	200,000	20%
Jingneng Power	100,000	20%	200,000	20%
Total	500,000	100%	1,000,000	100%

4. Financial Information of BEH Finance

Based on the audited consolidated financial statements of the Target Company for the financial years ended 31 December 2023 and 2024 prepared in accordance with the PRC GAAP, the net profits before and after taxation for the financial years ended 31 December 2023 and 2024 are set out below:

	For the year ended 31 December 2023 (RMB0'000)	For the year ended 31 December 2024 (RMB0'000)
Profit before taxation	71,582.40	75,872.71
Profit after taxation	55,174.20	58,201.57

Pursuant to the audited consolidated financial statements of the Target Company prepared in accordance with the PRC GAAP, the total assets and net assets of the Target Company as at 31 December 2024 amounted to approximately RMB46,403,760,300 and RMB7,371,252,400, respectively.

LETTER FROM THE BOARD

The results and assets and liabilities of the Target Company are incorporated in the consolidated financial statements of the Company using the equity method of accounting, which is reflected in the “investments in associates” account within the consolidated statement of financial position. Upon the completion of the Proposed Subscription, the shareholding interest held by the Company in the Target Company will remain unchanged. Accordingly, the Company will continue to account for its investment in the Target Company in the “investments in associates” account, applying the equity method of accounting.

5. Information of the Parties to the Capital Increase Agreement

BEH

BEH is a limited liability company incorporated in the PRC and wholly-owned by BSCOMC, which was established and wholly-owned by State-owned Assets Supervision and Administration Commission of the People’s Government of Beijing Municipality (北京市人民政府國有資產監督管理委員會). BEH is principally engaged in the businesses of generation and supplying of electricity and heat, production and sale of coal and wellness and tourism.

The Company

The Company is a leading wind power and photovoltaic power operator in the PRC and the largest gas-fired power provider in Beijing, with a diversified clean energy portfolio including wind power, photovoltaic power, gas-fired power and heat energy, small to medium hydropower, energy storage and other clean energy projects. As at the Latest Practicable Date, the Company was directly and indirectly held by BEH as to approximately 68.68%.

Jingneng Power

Jingneng Power is a joint stock limited liability company incorporated in the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 600578), which engages in production of electric power and thermal products, general cargo and cargo transportation (tank type), sales of electric power and thermal products, operation of electric power equipment, detection and repair of power generation equipment, and sale of desulfurization gypsum. As at the Latest Practicable Date, Jingneng Power is a subsidiary of BEH.

LETTER FROM THE BOARD

BEH Finance

BEH Finance is a limited liability company incorporated in the PRC. As approved by the Beijing Bureau of the National Financial Regulatory Administration, BEH Finance primarily engages in the following businesses: (1) accepting deposits from member companies; (2) providing loans to member companies; (3) handling bill discounts for member companies; (4) facilitating funds settlement and payments for member companies; (5) providing entrusted loans, bond underwriting, non-financing guarantees, financial advisory services, credit verification, and consulting agency services for member companies; (6) engaging in interbank lending; (7) handling bill acceptance for member companies; (8) investing in fixed-income securities. As at the Latest Practicable Date, BEH Finance is a subsidiary of BEH.

6. Reasons for and Benefits of the Proposed Subscription and the Effect of the Proposed Subscription

Upon completion of the Proposed Subscription, the capital strength of BEH Finance will be significantly improved, its financing service capacity will be further enhanced and its efficiency in the use of funds will also be increased. This will further enable BEH Finance to maintain sustainable and stable revenue level, allowing the Company to further capitalize on the business expansion and growth in net profits of BEH Finance. Accordingly, the Proposed Subscription is expected to yield a relatively stable investment return for the Company and mitigate the risk associated with market fluctuations.

Upon completion of the Proposed Subscription, the capital adequacy ratio of BEH Finance will be enhanced and its risk resistance ability and operational stability will be further strengthened. Concurrently, BEH Finance's capacity to extend loans will be significantly bolstered, providing stable and preferential financial support to meet the financial needs of the members of BEH (including the Company). This enhancement will lower the overall financing costs for the members of BEH (including the Company) and offer funding support as well as streamlined financing channels for the project construction of the Company, thus alleviating the external financing pressure of the Company as well as preventing and managing the investment risk of the Company effectively.

Upon completion of the Proposed Subscription, BEH Finance intends to utilize the additional capital contribution for (i) extending loans to members of BEH (including the Company), focusing on the project construction of wind power and photovoltaic power generation, hydrogen production with green power, and renovation and improvement of thermal power distribution networks and so on; (ii) providing working capital support for members of BEH (including the Company); and (iii) engaging in interbank operations, investments, and maintaining liquidity reserves.

The Proposed Subscription does not involve any change in shareholding interest of the Company in BEH Finance, will not affect the operating conditions of the Company and will not prejudice the interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

The Board has resolved and approved the Proposed Subscription. Due to Mr. Zhou Jianyu's position as a full-time investment director at BEH and as a director at Jingneng Power, Mr. Song Zhiyong's position as the business manager of the capital operation department at BSCOMC (the sole shareholder of BEH) and Ms. Zhao Jie's position as an independent director at Jingneng Power, they have all abstained from voting on the relevant Board resolution approving the abovementioned connected transaction. Save as disclosed above, none of the Directors has any material interest in the Proposed Subscription.

The Proposed Subscription is subject to approval by the Beijing Bureau of the National Financial Regulatory Administration.

7. Listing Rules Implications

As the highest applicable percentage ratio in respect of the Proposed Subscription exceeds 5% but is less than 25%, the Proposed Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, BEH directly and indirectly holds 68.68% equity interest in the Company and is a connected person of the Company under Chapter 14A of the Listing Rules. Jingneng Power and BEH Finance are subsidiaries of BEH and thus constitute connected persons of the Company under Chapter 14A of the Listing Rules by virtue of being associates of BEH. Accordingly, the Proposed Subscription constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Proposed Subscription exceeds 5%, the Proposed Subscription is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

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

Reference is made to the announcement of the Company dated 22 April 2025. The Board has considered and approved 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 at the EGM 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, 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 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.

LETTER FROM THE BOARD

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 the 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.

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, 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.

LETTER FROM THE BOARD

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 information 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 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.

LETTER FROM THE BOARD

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, 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.

IV. THE EGM

A notice convening the EGM to be held at Meeting Room 802, 8th Floor, No. 6 Xibahe Road, Chaoyang District, Beijing, the PRC on Friday, 16 May 2025 at 9:30 a.m. is set out on pages 31 to 32 of this circular. A proxy form for use at the EGM is enclosed with this circular and was also published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<https://www.jncec.com>).

Holders of H shares of the Company whose names appear on the register of members of the Company on the close of business on Monday, 12 May 2025 are entitled to attend the EGM and vote at the EGM. The share register for H shares of the Company will be closed from Tuesday, 13 May 2025 to Friday, 16 May 2025 (both days inclusive), during which period no share transfer of H shares of the Company will be registered.

Whether or not you are able to attend the EGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending the EGM and voting in person if you so wish.

LETTER FROM THE BOARD

V. VOTES BY POLL

The resolutions proposed at the EGM will be voted by poll.

Pursuant to Rule 2.15 and Rule 14A.36 of the Listing Rules, where shareholders' approval is required with regard to a transaction or arrangement, any shareholder that has a material interest in such transaction or arrangement shall abstain from voting on the resolution(s) approving such transaction or arrangement at the general meeting. Accordingly, Shareholders who have a material interest in the Proposed Subscription shall abstain from voting on the relevant resolution to be proposed at the EGM. As at the Latest Practicable Date, BEH and its associates held an aggregate of 5,886,444,144 Shares, representing approximately 71.4% of the equity interest in the Company, and they shall abstain from voting on the relevant resolution to be proposed at the EGM to approve the Proposed Subscription.

No Shareholder is required to abstain from voting on the resolution related to the proposed adoption of the Shareholder Dividend Return Plan for the Next Three Years (2025-2027) to be proposed at the EGM.

VI. RECOMMENDATION

The views of the Independent Board Committee on the Proposed Subscription, having considered the advice of Gram Capital, are set out on page 16 of this circular.

The Directors (including the Independent Board Committee after taking into account the advice of Gram Capital) are of the view that, although the Proposed Subscription is not in the ordinary and usual course of business of the Group, the terms of the Proposed Subscription are fair and reasonable, and the transaction contemplated under the Proposed Subscription is on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

The Directors (including the independent non-executive Directors) are of the view that the proposed adoption of the Shareholder Dividend Return Plan for the Next Three Years (2025-2027) is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

VII. OTHER INFORMATION

Your attention is drawn to other sections of and the appendix to this circular.

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



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)

25 April 2025

To the Independent Shareholders

Dear Sir/Madam,

**DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION
IN RELATION TO THE PROPOSED SUBSCRIPTION**

We refer to the circular of the Company dated 25 April 2025 (the “Circular”, of which this letter forms part). Terms defined in the Circular shall have the same meanings when used in this letter unless the context requires otherwise.

We have been appointed by the Board as members of the Independent Board Committee to review the Proposed Subscription, and to advise the Independent Shareholders in respect of the Proposed Subscription. Gram Capital has been appointed as the Independent Financial Adviser in this regard.

We wish to draw your attention to the “Letter from the Board” and the “Letter from Gram Capital” as set out in the Circular. Having considered the principal factors and reasons considered by, and the advice of Gram Capital as set out in their letter of advice, we consider that the Proposed Subscription, although is not conducted in the ordinary and usual course of business of the Group, is on normal commercial terms and is fair and reasonable and is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend that the Independent Shareholders to vote in favour of the resolution approving the Proposed Subscription at the EGM.

Yours faithfully

For and on behalf of the Independent Board Committee of
Beijing Jingneng Clean Energy Co., Limited

Wang Hongxin
*Independent non-executive
Director*

Qin Haiyan
*Independent non-executive
Director*

Hu Zhiying
*Independent non-executive
Director*

LETTER FROM GRAM CAPITAL

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Proposed Subscription for the purpose of inclusion in this circular.



Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

25 April 2025

*To: The independent board committee and the independent shareholders of
Beijing Jingneng Clean Energy Co., Ltd.*

Dear Sir/Madam,

DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION IN RELATION TO THE PROPOSED SUBSCRIPTION

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Proposed Subscription, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 25 April 2025 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 24 March 2025, BEH, the Company, Jingneng Power and BEH Finance entered into the Capital Increase Agreement, pursuant to which, the registered capital of BEH Finance will be increased from RMB5 billion to RMB10 billion, of which, BEH, the Company and Jingneng Power will subscribe RMB3 billion, RMB1 billion and RMB1 billion, respectively. Upon the completion of the Proposed Subscription, the shareholding interest held by BEH, the Company and Jingneng Power in BEH Finance will remain unchanged at 60%, 20% and 20%, respectively.

With reference to the Board Letter, the Proposed Subscription constitutes discloseable and connected transaction for the Company and is subject to the reporting, announcement, circular and Independent Shareholders’ approval requirements under the Chapter 14 and Chapter 14A of the Listing Rules.

LETTER FROM GRAM CAPITAL

The Independent Board Committee comprising Mr. Wang Hongxin, Mr. Qin Haiyan and Ms. Hu Zhiying (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Proposed Subscription are on normal commercial terms and are fair and reasonable; (ii) whether the Proposed Subscription is in the interests of the Company and the Shareholders as a whole and conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolution to approve the Proposed Subscription at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

We were not aware of (i) any relationships or interests between Gram Capital and the Company; or (ii) any services provided by Gram Capital to the Company, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Proposed Subscription. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

LETTER FROM GRAM CAPITAL

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, BEH, Jingneng Power, BEH Finance or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Proposed Subscription. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Proposed Subscription, we have taken into consideration the following principal factors and reasons:

Information on the Company

With reference to the Board Letter, the Company is a leading wind power and photovoltaic power operator in the PRC and the largest gas-fired power provider in Beijing, with a diversified clean energy portfolio including wind power, photovoltaic power, gas-fired power and heat energy, small to medium hydropower, energy storage and other clean energy projects.

LETTER FROM GRAM CAPITAL

Set out below are the audited consolidated financial information of the Group for the two years ended 31 December 2024 as extracted from the Company's annual results announcement for the year ended 31 December 2024 (the "2024 AR Announcement"):

	For the year ended 31 December 2024 ("FY2024") RMB'000	For the year ended 31 December 2023 ("FY2023") RMB'000	Year-on-year change %
Total operating income	20,561,740	20,446,028	0.57
– Gas-fired power and heat energy generation	12,410,304	12,568,221	(1.26)
– Wind power	4,709,301	4,511,859	4.38
– Photovoltaic power	3,086,397	2,957,812	4.35
– Hydropower	294,139	322,670	(8.84)
– Others	61,599	85,466	(27.93)
Profit for the year attributable to equity holders of the Company	3,245,045	3,057,641	6.13

According to the above table, the Group's total operating income increased by approximately 0.57% from FY2023 to FY2024. The aforesaid slight increase in the Group's total operating income for FY2024 was mainly due to the increase in revenue generating from wind power segment and photovoltaic power segment as results of increase in installed capacity of the wind power and photovoltaic power and sales volume of electricity of these segments, but offsetting by the decrease in revenue generating from gas-fired power and heat energy generation segment as results of downward tariff adjustment and the decrease in sales volume of electricity of this segment.

Due to the slight increase in total operating income and the decrease in finance costs for FY2024, the Group recorded an increase of approximately 6.13% in profit for the year attributable to equity holders of the Company for FY2024 as compared to that for FY2023.

Information on BEH Finance

With reference to the Board Letter, BEH Finance is a limited liability company incorporated in the PRC. As approved by the Beijing Bureau of the National Financial Regulatory Administration, BEH Finance primarily engages in the following businesses: (1) accepting deposits from member companies; (2) providing loans to member companies; (3) handling bill discounts for member companies; (4) facilitating funds settlement and payments for member companies; (5) providing entrusted loans, bond underwriting, non-financing guarantees, financial advisory services, credit verification, and consulting agency services for member companies; (6) engaging in interbank lending; (7) handling bill acceptance for member companies; (8) investing in fixed-income securities. As at the Latest Practicable Date, BEH Finance is a subsidiary of BEH.

LETTER FROM GRAM CAPITAL

Financial information

Set out below are the audited financial information of BEH Finance for the two years ended 31 December 2024 as prepared in accordance with the PRC GAAP:

	For the year ended 31 December 2024 RMB'000	For the year ended 31 December 2023 RMB'000	Year-on-year change %
Total operating income	1,016,827	958,921	6.04
Profit before taxation	758,727	715,824	5.99
Profit after taxation	582,016	551,742	5.49

According to the above table, BEH Finance's total operating income increased by approximately 6.04% from FY2023 to FY2024. As advised by the management of BEH Finance, the aforesaid increase was mainly driven by increase of approximately 6.48% in revenue generated from interest income for FY2024. Driven by the increase in total operating income and year-on-year decrease of approximately 15.17% in interest expenses, BEH Finance recorded an increase of approximately 5.49% in profit after taxation for FY2024.

As at 31 December 2024, BEH Finance recorded total assets and net assets of approximately RMB46,404 million and RMB7,371 million respectively.

Based on the information provided by the management of BEH Finance, BEH Finance distributed dividend for each year from 2007 (for 2006 dividend) to 2024 (for 2023 dividend) to its shareholders.

Reasons for and benefits of the Proposed Subscription

With reference to the Board Letter, upon completion of the Proposed Subscription, the capital strength of BEH Finance will be significantly improved, its financing service capacity will be further enhanced and its efficiency in the use of funds will also be increased. This will further enable BEH Finance to maintain sustainable and stable revenue level, allowing the Company to further capitalize on the business expansion and growth in net profits of BEH Finance. Accordingly, the Proposed Subscription is expected to yield a relatively stable investment return for the Company and mitigate the risk associated with market fluctuations.

LETTER FROM GRAM CAPITAL

With reference to the Board Letter, upon completion of the Proposed Subscription, the capital adequacy ratio of BEH Finance will be enhanced and its risk resistance ability and operational stability will be further strengthened. Concurrently, BEH Finance's capacity to extend loans will be significantly bolstered, providing stable and preferential financial support to meet the financial needs of the members of BEH (including the Company). This enhancement will lower the overall financing costs for the members of BEH (including the Company) and offer funding support as well as streamlined financing channels for the project construction of the Company, thus alleviating the external financing pressure of the Company as well as preventing and managing the investment risk of the Company effectively.

To assess the reasons for and benefits of the Proposed Subscription to the Group, we performed the analyses in respect of (i) size of loan; and (ii) return from the investment in BEH Finance.

Size of loan

Pursuant to 《企業集團財務公司管理辦法》 (Administrative Measures for Group Finance Companies*, the “**Administrative Measures**”) promulgated by China Banking and Insurance Regulatory Commission* (中國銀行保險監督管理委員會), which was replaced by NAFR in May 2023, the loan balance (granted by finance company) shall not exceed 80% of the sum of the deposit balance and the paid-in capital. Upon completion of the capital injection of RMB5 billion, the maximum loan to be granted would increase by RMB4 billion. As mentioned above, interest income accounted for the major component of BEH Finance's total operating income. As the interest income was generated from BEH Finance's loans and advances to customers, the increase in maximum loan amounts will increase BEH Finance's business capacity in respect of its loans and advances to customers, which may further increase its interest income from such business.

Return from the investment in BEH Finance

Based on the information provided by the management of BEH Finance, (i) BEH Finance was established in 2006; (ii) BEH Finance distributed dividend for each year from 2007 (for 2006 dividend) to 2024 (for 2023 dividend) to its shareholders. Upon the completion of latest capital injection in BEH Finance in 2020, the Group received dividends from BEH Finance with CAGR of approximately 8.6% from 2021 to 2024. The investment return (calculated by average dividends collected by the Group from BEH Finance to the Group's capital contribution) on BEH Finance was approximately 5.9% per annum for 2021 to 2024 and approximately 6.7% for 2024.

Upon our request, the Directors advised that (i) save for time deposits and investment in CGN Power Co., Ltd. (stock code: 1816 & SZ003816) (“**CGN Power**”), the Group did not have other investment in financial products or listed securities; (ii) maximum interest rate of time deposits of the Group was 1.45% for 2024; and (iii) investment return on CGN Power was approximately 3% per annum for 2024. Therefore, the investment return on BEH Finance for FY2024 were higher than the interest rate of time deposits and investment return in CGN Power.

LETTER FROM GRAM CAPITAL

Furthermore, assuming the investment return ratio of BEH Finance remained unchanged, the Group's investment return on BEH Finance would increase in terms of the monetary amounts upon the completion of the Proposed Subscription.

Furthermore, as stated in the Administrative Measures, a finance company shall comply with certain regulatory indicator requirements during their business operations, among other things, its capital adequacy ratio shall not be lower than the minimum regulatory requirements set forth by China Banking and Insurance Regulatory Commission. We understood from the management of BEH Finance that the proceeds from the Proposed Subscription will be recorded as share capital of BEH Finance, which will lead the increase in capital adequacy ratio. The increase in capital adequacy ratio of BEH Finance will allow BEH Finance to better tackle the fast changes in the PRC to bring better return to all its shareholders, while ensuring a sound development of business operation of BEH Finance.

Having considered the above, we are of the view that although the Proposed Subscription is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole.

PRINCIPAL TERMS OF THE PROPOSED SUBSCRIPTION

Summarised below are the principal terms of the Capital Increase Agreement (including terms of the Proposed Subscription), details of which are set out under the section headed "1. Capital Increase Agreement" of the Board Letter.

Date

24 March 2025

Parties

- (1) BEH;
- (2) The Company;
- (3) Jingneng Power; and
- (4) BEH Finance

Conditions precedent

The effectiveness of the Capital Increase Agreement is conditional upon the fulfilment of the following conditions:

- (i) the Capital Increase Agreement having been signed by the legal representatives (principal) or their authorized representatives of the parties and affixed with the official corporate seal or the specialized contract seal of each party;

LETTER FROM GRAM CAPITAL

- (ii) the parties having performed and completed internal decision-making procedures in respect of Proposed Subscription pursuant to relevant applicable laws and regulations;
- (iii) the Capital Increase Agreement having been approved by the general meeting of the Company; and
- (iv) the Capital Increase Agreement having been approved by the shareholders' meeting or the board of directors of Jingneng Power.

Increase in capital of BEH Finance and the Proposed Subscription

The registered capital of BEH Finance will increase from RMB5 billion to RMB10 billion, with an additional capital contribution of RMB5 billion, which will be subscribed by BEH, the Company and Jingneng Power in cash in the same proportion according to their respective shareholding interest. Of which, BEH, the Company and Jingneng Power will subscribe and pay RMB3 billion, RMB1 billion and RMB1 billion, respectively. Upon the completion of the Proposed Subscription, the shareholding interest held by BEH, the Company and Jingneng Power in BEH Finance will remain unchanged at 60%, 20% and 20%, respectively.

The following diagram sets out the shareholding structure of BEH Finance immediately before and after completion of the Proposed Subscription:

Name of shareholder	Immediately before the completion of the Proposed Subscription		Immediately after the completion of the Proposed Subscription	
	Registered capital of BEH Finance RMB'000	Percentage	Registered capital of BEH Finance RMB'000	Percentage
BEH	3,000,000	60%	6,000,000	60%
The Company	1,000,000	20%	2,000,000	20%
Jingneng Power	1,000,000	20%	2,000,000	20%
Total	5,000,000	100%	10,000,000	100%

As each shareholder of BEH Finance will make capital contribution to BEH Finance according to their respective shareholding ratio and the reasons for and benefits of the Proposed Subscription as mentioned above, we consider the amount of the Company's capital contribution to BEH Finance to be fair and reasonable.

LETTER FROM GRAM CAPITAL

In respect of the reasonableness of additional capital contribution of RMB5 billion, we performed the following works:

- Based on the Directors' understanding, capital adequacy ratio is monitored by BEH Finance's management according to the Administrative Measures. According to the internal data summarized by China National Association of Finance Companies and relevant data provided by BEH Finance, BEH Finance's capital adequacy ratio (which was above the minimum requirement of Administrative Measures) was 22.21%, being 2.09 percentage points lower than the average capital adequacy ratio of finance companies (which were owned by local state-owned enterprises) of 24.30%, as at 31 December 2024. Upon completion of the Proposed Subscription, BEH Finance's capital adequacy ratio would be over 30% and higher than the average capital adequacy ratio of finance companies (which were owned by local state-owned enterprises) as at 31 December 2024. We further noted that BEH Finance's capital adequacy ratio (immediately upon completion of the Proposed Subscription) would be at the similar level of BEH Finance's capital adequacy ratio immediately upon completion of the latest capital injection in 2020), which moved in a decreasing trend thereafter due to the expansion of business.
- Upon our further enquiry, the Directors advised us that the registered capital of group finance companies owned by five large-scale power group was one of the factors to assess the reasonableness of increased registered capital amounts (i.e. RMB5 billion). For our due diligence purpose, we searched group finance companies which was owned by five large-scale power group generally known to the public (the "**Power Group Finance Companies**"). The list of Power Group Finance Companies was exhaustive as far as we were aware of. Set out below is the public information as extracted from National Enterprise Credit Information Publicity System.

Power Group Finance Companies	Latest registered capital (RMB' billion)	Previous registered capital before the latest capital injection (RMB' billion)	Increased amounts (RMB' billion)
國家能源集團財務有限公司 (CHN Energy Finance Co., Ltd.*)	17.5	12.5	5
中國華電集團財務有限公司 (China Huadian Corporation Finance Company Limited*)	Approximately 5.54	5.0	Approximately 0.54
中國華能財務有限責任公司 (China Huaneng Finance Corporation Limited*)	7	5	2

LETTER FROM GRAM CAPITAL

Power Group Finance Companies	Latest registered capital (RMB' billion)	Previous registered capital before the latest capital injection (RMB' billion)	Increased amounts (RMB' billion)
中國大唐集團財務有限公司 (China Datang Finance Co., Ltd*)	6.5	Approximately 4.87	Approximately 1.63
國家電投集團財務有限公司 (SPIC Financial Company Limited*)	7.5	6.0	1.5

We noted that the registered capital of BEH Finance was lower than the Power Group Finance Companies.

Based on the above findings, we do not doubt the reasonableness of the size of increased registered capital (i.e. RMB5 billion).

Payment schedule

Subject to the fulfilment of the above-mentioned conditions, BEH, the Company and Jingneng Power shall pay their respective subscription monies within 10 Business Days after the Capital Increase Agreement takes effect. Each party shall make a full payment of their respective subscription amounts to BEH Finance in accordance with the Proposed Subscription, in one lump sum. They shall also ensure that BEH Finance submits the application for capital increase approval after completing the capital verification procedures as required by the financial regulatory authorities.

Taking into account the principal terms of the Proposed Subscription as set out above, we consider that the terms of the Proposed Subscription are fair and reasonable.

Possible financial effects of the Proposed Subscription

Based on the 2024 AR Announcement, the audited consolidated equity attributable to equity holders of the Company was approximately RMB33.16 billion as at 31 December 2024. The Directors expect that the Proposed Subscription would not have material impact on the audited consolidated equity attributable to equity holders of the Company.

It should be noted that the aforementioned analysis is for illustrative purposes only and do not purport to represent how the financial position of the Group will be upon completion of the Proposed Subscription.

LETTER FROM GRAM CAPITAL

RECOMMENDATION

Having taken into account the above factors and reasons, we are of the opinion that (i) the terms of the Proposed Subscription are on normal commercial terms and are fair and reasonable; and (ii) although the Proposed Subscription is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Proposed Subscription and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has around 30 years of experience in investment banking industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, none of the Directors, supervisors or members of the senior management of the Company had any interest or short position in the Shares and underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Hong Kong Stock Exchange.

Save for Mr. Zhou Jianyu holding position in BEH and Mr. Song Zhiyong holding position in BSCOMC, as at the Latest Practicable Date, none of the Directors was a director or an employee of any shareholders of the Company or a company which has an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

BEH and its associates, holding an aggregate of 5,886,444,144 Shares and representing approximately 71.4% of the equity interest in the Company, are required to abstain from voting on the resolution to be proposed at the EGM to approve the Proposed Subscription.

3. NO MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited accounts of the Group were made up to.

4. MATERIAL LITIGATION

As at the Latest Practicable Date, neither the Company nor any member of the Group was engaged in any litigation or claims of material importance, and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against the Company or any member of the Group.

5. QUALIFICATION OF EXPERT AND CONSENT

The qualification of the expert who has given an opinion or advice in this circular is as follows:

Name	Qualification
Gram Capital Limited	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As of the Latest Practicable Date, Gram Capital (i) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter or opinion and the references to its name included herein in the form and context in which it is respectively included; (ii) has no direct or indirect shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of the Group; and (iii) has no direct or indirect interests in any assets which have been, since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or which are proposed to be acquired or disposed of by or leased to any member of the Group.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any of its subsidiaries which is not expiring or determinable by the Company or any of its subsidiaries within one year without payment of compensation (other than statutory compensation).

7. INTERESTS IN THE ASSETS OR CONTRACTS OF THE GROUP

As at the Latest Practicable Date, none of the Directors, the supervisors of the Company and the above expert had any interest, direct or indirect in any asset which have been, since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors and the supervisors of the Company was materially interested, directly or indirectly, in any contract or arrangement subsisting at the Latest Practicable Date which was significant in relation to the business of the Group.

8. DIRECTORS' INTERESTS IN COMPETING BUSINESS

Save for Mr. Zhou Jianyu holding position in BEH and Mr. Song Zhiyong holding position in BSCOMC, and so far as the Directors are aware, as at the Latest Practicable Date, none of the Directors or their respective close associates (as defined in the Listing Rules) had an interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them was a controlling shareholder of the Company).

9. MISCELLANEOUS

Joint Company Secretaries

Mr. Zhang Wei and Mr. Cheung Kai Cheong Willie are the joint company secretaries of the Company.

Mr. Zhang Wei holds a bachelor's degree in economics and holds the professional technical qualifications of senior economist and accountant. Mr. Cheung Kai Cheong Willie ("**Mr. Cheung**") is a senior manager of SWCS Corporate Services Group (Hong Kong) Limited, and has more than 20 years of professional experiences in company secretarial, accounting and finance matters. Mr. Cheung is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants in the United Kingdom.

Registered Office

The registered office of the Company is situated at Room 118, No. 1 Ziguang East Road, Badaling Economic Development Zone, Yanqing District, Beijing, the PRC. The principal place of business of the Company is situated at 7/8/9 Floor, No. 6 Xibahe Road, Chaoyang District, Beijing, the PRC.

10. DOCUMENTS ON DISPLAY

Copies of the Capital Increase Agreement will be available on display on the website of the Hong Kong Stock Exchange at (<http://www.hkexnews.hk>) and the website of the Company (<https://www.jncec.com>) for a period of not less than 14 days from the date of this circular.



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)

**NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING
OF 2025**

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Beijing Jingneng Clean Energy Co., Limited (the “**Company**”) will be held at 9:30 a.m. on Friday, 16 May 2025 at Meeting Room 802, 8th Floor, No. 6 Xibahe Road, Chaoyang District, Beijing, the PRC, for the purposes of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the Proposed Subscription.
2. To consider and approve the shareholder dividend return plan for the next three years (2025-2027) of the Company.

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

Beijing, the PRC
25 April 2025

As at the date of this notice, 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.

Note:

Details of the ordinary resolutions are set out in the circular of the Company dated 25 April 2025 (the “**Circular**”). Unless otherwise defined, capitalized terms shall have the same meanings as defined in the Circular.

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2025

1. CLOSURE OF REGISTER FOR H SHARES, ELIGIBILITY FOR ATTENDING THE EGM

Holders of H shares of the Company are advised that the share register for H shares of the Company will be closed from Tuesday, 13 May 2025 to Friday, 16 May 2025 (both days inclusive). The shareholders whose names appear on the register of members of the Company on the close of business on Monday, 12 May 2025 are entitled to attend and vote at the EGM.

Holders of H shares of the Company who wish to attend the EGM but have not registered the transfer documents are required to deposit the transfer documents together with the relevant share certificates at the H share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Monday, 12 May 2025 for registration.

2. PROXY

Shareholders entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote in their stead. A proxy need not be a shareholder of the Company.

The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorized in writing. If the shareholder is a corporate body, the proxy form must be either executed under its common seal or under the hand of its director(s) or duly authorized attorney(s). If the proxy form is signed by an attorney of the shareholder, the power of attorney authorizing that attorney to sign or other authorization documents must be notarized.

For holders of H shares of the Company, the proxy form together with the power of attorney or other authorization document (if any) must be lodged at the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in person or by post not less than 24 hours before the time fixed for holding the EGM (i.e. by no later than 9:30 a.m. on Thursday, 15 May 2025) or any adjournment thereof (as the case may be) in order to be valid. Shareholders can still attend and vote at the EGM upon completion and return of the proxy form.

3. ADDRESS AND TELEPHONE NUMBER OF THE COMPANY'S PRINCIPAL PLACE OF BUSINESS IN THE PRC

Address: 7/8F
No. 6 Xibahe Road, Chaoyang District
Beijing, the PRC

Telephone: (86 10) 8740 7010/(86 10) 8740 7065

4. PROCEDURES FOR VOTING AT THE EGM

Any vote of shareholders at the EGM must be taken by poll.

5. OTHER BUSINESS

Shareholders (in person or by proxy) attending the EGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the EGM shall produce their identity documents.

6. References to time and dates in this notice are to Hong Kong time and dates.