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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)**

### **ANNOUNCEMENT**

#### **PROPOSED CHANGE OF NON-EXECUTIVE DIRECTORS**

#### **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND PROPOSED CHANGE OF DOMESTIC AUDITORS**

##### **1. Proposed Change of Non-executive Directors**

###### **Nomination of Non-executive Directors**

The board of directors (the “**Board**”) of Beijing Jingneng Clean Energy Co., Limited (the “**Company**”) announces that on 22 December 2017, the Board resolved to nominate Mr. Meng Wentao (“**Mr. Meng**”), Mr. Jin Shengxiang (“**Mr. Jin**”), Mr. Tang Xinbing (“**Mr. Tang**”) and Mr. Zhang Fengyang (“**Mr. Zhang**”) as non-executive Directors of the Company, subject to the approval of the shareholders of the Company (the “**Shareholders**”). The term of Mr. Meng, Mr. Jin, Mr. Tang and Mr. Zhang’s appointments as non-executive Directors shall commence upon the approval by the Shareholders and shall end on the expiry of the term of the third session of the Board. The Company will enter into service agreements with each of Mr. Meng, Mr. Jin, Mr. Tang and Mr. Zhang upon the approval of their appointments by the Shareholders. Mr. Meng, Mr. Jin, Mr. Tang and Mr. Zhang will not receive any remuneration from the Company.

The biographical details of Mr. Meng, Mr. Jin, Mr. Tang and Mr. Zhang are set out in the Appendix of this announcement.

Save as disclosed in this announcement, Mr. Meng, Mr. Jin, Mr. Tang and Mr. Zhang did not hold any directorship in any other listed companies or take up any post in any group members of the Company in the past three years, nor have any relationship with any other directors, supervisors, senior management, substantial shareholders (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) or controlling shareholders (as defined in the Listing Rules) of the Company. In addition, Mr. Meng, Mr. Jin, Mr. Tang and Mr. Zhang do not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong.

Save as disclosed above, there is no other information relating to the proposed appointments of Mr. Meng, Mr. Jin, Mr. Tang and Mr. Zhang that shall be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any matter which needs to be brought to the attention of the Shareholders.

### **Resignation of Non-executive Directors and Chairman of the Board**

The Board announces that due to other work commitments, (i) Mr. Zhu Yan has resigned as a non-executive Director, chairman of the Board, chairman of the strategy committee of the Board and a member of the remuneration and nomination committee of the Board, (ii) Mr. Li Dawei has resigned as a non-executive Director and a member of the strategy committee of the Board, (iii) Mr. Guo Mingxing has resigned as a non-executive Director, a member of the strategy committee of the Board and a member of the remuneration and nomination committee of the Board and (iv) Mr. Zhu Baocheng has resigned as a non-executive Director, a member of the strategy committee of the Board and a member of the audit committee of the Board. Their respective resignations will not become effective until the date of the proposed appointments of the new non-executive Directors are approved by the Shareholders.

Mr. Zhu Yan, Mr. Li Dawei, Mr. Guo Mingxing and Mr. Zhu Baocheng have confirmed that they have no disagreement with the Board and there is no matter that needs to be brought to the attention of the Shareholders. Mr. Zhu Yan, Mr. Li Dawei, Mr. Guo Mingxing and Mr. Zhu Baocheng have also confirmed that they do not have any action or claim, existing or pending, against the Company.

## **2. Proposed Amendments to the Articles of Association**

On 22 December 2017, the Board resolved to amend certain provisions of the articles of association of the Company (the “**Articles of Association**”), subject to the approval of the Shareholders.

The proposed amendments to the Articles of Association are set out as follows:

Original articles	Revised articles after the proposed amendments
<p><b>Article 1</b> To safeguard legitimate rights and interests of the Company and its shareholders and creditors, and to regulate organization and acts of the Company, this Articles of Association is formulated pursuant to the Company Law of PRC (the Company Law), the Securities Law of PRC (the Securities Law), the Special Provisions of State Council on Overseas Fundraising and Listing for Limited Company (the Special Provisions), the Mandatory Provisions for the Articles of Association of the Companies to be Listed Outside the PRC, the Guidelines for Articles of Association of Chinese Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and other relevant provisions.</p>	<p><b>Article 1</b> <u>To adapt to the requirements of the development of socialist market economy, establish the modern state-owned enterprise system with Chinese characteristics, and to safeguard legitimate rights and interests of the Company and its shareholders and creditors, and to regulate organization and acts of the Company, this Articles of Association is formulated pursuant to the Company Law of PRC (the Company Law), the Law of Enterprise State-owned Assets of the PRC, the Constitution of the Communist Party of China, the Securities Law of PRC (the Securities Law), the Special Provisions of State Council on Overseas Fundraising and Listing for Limited Company (the Special Provisions), the Mandatory Provisions for the Articles of Association of the Companies to be Listed Outside the PRC, the Guidelines for Articles of Association of Chinese Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and other relevant provisions.</u></p>

Original articles	Revised articles after the proposed amendments
<p><b>Article 9</b></p> <p>...</p> <p>This Articles of Association shall be legally binding on the Company, its shareholders, directors, supervisors, senior officers, with such personnel being entitled to claim for right on matters relating to the Company, and undertake corresponding obligations in accordance with this Articles of Association.</p> <p>...</p>	<p><b>Article 9</b></p> <p>...</p> <p>This Articles of Association shall be legally binding on <u>the Company’s shareholders, the Company, members of the Committee of the Communist Party of China (or Commission for Discipline Inspection)</u>, directors, supervisors, senior officers, with such personnel being entitled to claim for right on matters relating to the Company, and undertake corresponding obligations in accordance with this Articles of Association.</p> <p>...</p>
	<p><b>Newly Added Article 10</b></p> <p><u>In accordance with the provisions of the Constitution of the Communist Party of China, the company shall establish organizations of the Communist Party of China; the organizations of the Party (the Party Organization) shall play the core leadership role, holding correct directions, managing overall situations and ensuring the implementations of the government’s proposals. The working units of the Party shall be established to carry out the activities of the Party.</u></p> <p><u>The company shall provide the necessary conditions for the activities carried out by the Party Organization. The institution and staffing of the Party Organization shall be included into the Company’s management organizations and staffing. The working fund of the Party Organization shall be included into the Company’s budget and shall be disbursed from the management fees.</u></p>
	<p><b>Newly Added Article 11</b></p> <p><u>In compliance with the Constitution of PRC and other relevant provisions, the Company shall adopt democratic management system, legitimately organize labor union, conduct labor union’s activities and protects the lawful rights and interests of the employees. The company shall provide the necessary conditions for the activities of its labor union.</u></p>

Original articles	Revised articles after the proposed amendments
<p><b>Article 12</b></p> <p>...</p> <p>The Company’s legally registered scope of operation shall be: power generation as approved operation item, heating service and investment consultancy as normal operation items.</p>	<p><b>Article 14</b></p> <p>...</p> <p>The Company’s legally registered scope of operation shall be: power generation as approved operation item, heating service, investment consultancy and <u>power supply</u> as normal operation items.</p>
<p><b>Article 64</b></p> <p>The following external guarantees of the Company must be reviewed and passed at the general meeting:</p> <ol style="list-style-type: none"> <li>(1) Any external guarantee by the Company or its subsidiary and any subsequent guarantee, whose total amount is equal to or more than 50% of the Company’s audited net assets;</li> <li>(2) Any external guarantee by the Company and any subsequent guarantee, whose total amount is equal to or more than 30% of the Company’s latest audited total assets;</li> <li>(3) To provide guarantee to entities with more than 70% debt equity ratio;</li> <li>(4) A single guarantee whose amount exceeds 10% of the latest audited net assets;</li> <li>(5) To provide guarantee for shareholders, actual controller and its associates;</li> <li>(6) Other guarantees which shall be passed at the general meeting as prescribed by the local stock exchange where the Company’s shares are listed and this Articles of Association.</li> </ol> <p>The term “external guarantee” refers to the guarantee provided by the Company to others, including guarantee provided to subsidiary company. The term “total amount of external guarantee of the Company and its subsidiary” refers to the sum of total amount of the Company’s external guarantee (including guarantee to subsidiary company), and total amount of external guarantee provided by the Company’s subsidiary.</p>	<p><b>Article 66</b></p> <p>The following external guarantees of the Company must be reviewed and passed at the general meeting:</p> <ol style="list-style-type: none"> <li>(1) Any external guarantee by the Company or its subsidiary and any subsequent guarantee, whose total amount is equal to or more than 50% of the Company’s audited net assets;</li> <li>(2) Any external guarantee by the Company and any subsequent guarantee, whose total amount is equal to or more than 30% of the Company’s latest audited total assets;</li> <li>(3) To provide guarantee to entities with more than 70% debt equity ratio;</li> <li>(4) A single guarantee whose amount exceeds 10% of the latest audited net assets;</li> <li>(5) To provide guarantee for shareholders, actual controller and its associates;</li> <li>(6) Other guarantees which shall be passed at the general meeting as prescribed by the local stock exchange where the Company’s shares are listed and this Articles of Association.</li> </ol> <p><del>The term “external guarantee” refers to the guarantee provided by the Company to others, including guarantee provided to subsidiary company. The term “total amount of external guarantee of the Company and its subsidiary” refers to the sum of total amount of the Company’s external guarantee (including guarantee to subsidiary company), and total amount of external guarantee provided by the Company’s subsidiary.</del></p>

Original articles	Revised articles after the proposed amendments
	<b>Newly Added Chapter 10</b>
	<p><b>Newly Added Article 120</b></p> <p><u>The Company shall establish the Communist Party Committee of Beijing Jingneng Clean Energy Co., Limited (Clean Energy Party Committee) and the Discipline Inspection Committee of Communist Party of Beijing Jingneng Clean Energy Co., Limited (Clean Energy Discipline Committee). In principle, the chairman of the board of directors of the Company and the secretary of the Party Committee shall be the same person, and one full-time deputy secretary shall be assigned in charge of Party-related work. Eligible members of the Party Committee can join the board of directors, the board of supervisors and the management team through legal procedures, while eligible Party members of the board of directors, the board of supervisors and the management team can also join the Party Committee in accordance with the relevant rules and procedures.</u></p> <p><u>The number of positions of secretary, deputy secretary and committee members of the Party Committee of the Company and the Discipline Inspection Committee of the Company shall be established in accordance with the reply given by the superior party committee, and members for all positions shall be selected by election. During the adjournment of the party representative congress, the superior party committee may appoint the secretary, deputy secretary and the secretary of the Discipline Inspection Committee when necessary.</u></p>

Original articles	Revised articles after the proposed amendments
	<p><b>Newly Added Article 121</b></p> <p><u>The Party Committee of the Company shall, in accordance with the Constitution of the Communist Party of China and other party rules, perform its duties.</u></p> <p><u>(1) To ensure and supervise the thorough implementation of the guidelines and policies of the Party and the State, decisions and deployment made by the Party Central Committee, the Party Committee of the Municipal Party Committee and the Government, the State-owned Assets Supervision and Administration Commission and the Beijing Energy Holding Co., Ltd throughout the Company.</u></p> <p><u>(2) To adhere to the principles of the Party exercising leadership over officials, the selection of operating managers by the board of directors, and the exercise of power as regards to the right of officials’ appointment by the operating managers in accordance with laws. The Party Committee of the Company shall recommend nominees to the board of directors or the general manager, or contemplate and/or give suggestions on the candidates nominated by the board of directors or the general manager. The Party Committee of the Company, together with the board of directors, shall observe the proposed candidates and discuss jointly to provide opinions and suggestions thereon. To perform the duty of exercising leadership over talents and proceed with the strategy of reinvigorating enterprises through human resource development.</u></p> <p><u>(3) To study and discuss the stable reform and development, substantial operational and management issues of the Company as well as material issues relating to the interests of the employees, and provide advice and recommendations.</u></p> <p><u>(4) To take full responsibility to comprehensively strengthen the Party’s discipline, lead the Company’s ideological and political work, united front work, spiritual civilization construction as well as corporate culture construction, and work of mass organizations such as the trade union and the Communist Youth League. Play a leading role in building a Party with a clean and honest image, support the Discipline Inspection Committee of the Company in fulfilling its responsibility of supervision in practice.</u></p>

Original articles	Revised articles after the proposed amendments
	<p><b>Newly Added Article 122</b>  <u>In determining the substantial operational and management issues of the Company, the board of directors and management team shall first seek opinions from the Party Committee of the Company.</u></p>
	<p><b>Newly Added Article 123</b>  <u>The work of the Party Organization and the construction of itself shall proceed in compliance with the relevant provisions of the Constitution of the Communist Party of China.</u></p>
<p><b>Article 133</b>  The board of directors exercises the following functions and powers:  ...  (21) other powers authorized by the laws, administrative regulations, and department rules, listing rules of the listing place where the Company’s shares are listed, this Articles of Associations and the general meetings.  ...  ...</p>	<p><b>Article 139</b>  The board of directors exercises the following functions and powers:  ...  (21) other powers authorized by the laws, administrative regulations, and department rules, listing rules of the listing place where the Company’s shares are listed, this Articles of Associations and the general meetings.  (22) <u>in determining the substantial operational and management issues of the Company, the board of directors and management team shall first seek opinions from the Party Committee of the Company. The substantial operational and management issues of the Company include but not limited to:</u>  <u>a. development strategies and medium-term and long-term development plans of the Company;</u>  <u>b. the business plans and operation plans;</u>  <u>c. principal and directional issues relating to financial restructuring, assets transfer, capital operation and substantial investments;</u>  <u>d. the merger, division, change of control and dissolution of the Company;</u>  <u>e. issues relating the remuneration, performance appraisals and supervision of the senior management team;</u>  <u>f. substantial and principal issues relating to the interests of the employees and need to be brought to the labor union;</u>  <u>g. substantial and principal arrangements relating to the Company’s political responsibility and social responsibility, such as extremely significant safety in production and stability maintenance;</u>  <u>h. substantial and principal issues which need to be reported to the relevant government and superior authorities; and</u>  <u>i. other issues which need the involvement and determination of the Party Committee.</u>  ...  ...</p>

Original articles	Revised articles after the proposed amendments
<p><b>Article 139</b></p> <p>...</p> <p>The chairman, any shareholder holding more than one tenth voting rights, more than one third of the directors, or the board of supervisors may propose the holding of an extraordinary meeting of the board of directors. The chairman shall, convene and preside over the extraordinary meeting of the Board of Directors within 10 days upon receipt of the proposal, and shall give a notice to all directors and supervisors five days before the meeting is held.</p> <p>...</p>	<p><b>Article 145</b></p> <p>...</p> <p>The <u>Party Committee</u>, chairman, any shareholder holding more than one tenth voting rights, more than one third of the directors, or the board of supervisors may propose the holding of an extraordinary meeting of the board of directors. The chairman shall, convene and preside over the extraordinary meeting of the Board of Directors within 10 days upon receipt of the proposal, and shall give a notice to all directors and supervisors five days before the meeting is held.</p> <p>...</p>
<p><b>Article 156</b></p> <p>The Company’s general manager shall be accountable to the Board of Directors and shall exercise the following functions and powers:</p> <p>...</p> <p>(9) exercise other powers conferred by the Articles of Association or the board of directors.</p>	<p><b>Article 162</b></p> <p>The Company’s general manager shall be accountable to the Board of Directors and shall exercise the following functions and powers:</p> <p>...</p> <p>(9) exercise other powers conferred by the Articles of Association or the board of directors.</p> <p><u>In determining the substantial operational and management issues of the Company, the management team of the Company shall first seek opinions from the Party Committee of the Company.</u></p>

### 3. Proposed Change of Domestic Auditors

Reference is made to the resolution approved by the Shareholders at the annual general meeting of the Company held on 28 June 2017 in relation to the appointment of Ruihua Certified Public Accountants as the domestic auditors of the Company for the year of 2017.

Pursuant to the relevant regulations issued by the State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality (“**Beijing SASAC**”), the domestic auditors to be appointed by a state-owned enterprise in Beijing shall be selected from the list of accounting firms approved by Beijing SASAC. As Ruihua Certified Public Accountants is not included in such list published by Beijing SASAC recently, the Board has resolved to appoint Grant Thornton as the domestic auditors of the Company for the year of 2017, to hold office until the conclusion of the next annual general meeting of the Company, and to authorize the Board to determine their remuneration, subject to the approvals of the Shareholders.

The international auditors of the Company, Deloitte Touche Tohmatsu, remains unchanged.

Ruihua Certified Public Accountants has confirmed that there are no matters in relation to the change of domestic auditors of the Company which should be brought to the attention of the Shareholders. The Board and the audit committee of the Company are not aware of any matters in relation to the change of domestic auditors of the Company that need to be brought to the attention of the Shareholders. The Board and the audit committee of the Company have also confirmed that there is no disagreement or outstanding matters between Ruihua Certified Public Accountants and the Company.

A circular containing, among other things, the proposed change of non-executive directors, the proposed amendments to the Articles of Association and the proposed change of domestic auditors of the Company, together with the notice convening the extraordinary general meeting of the Company will be dispatched to the Shareholders as soon as practicable.

By Order of the Board  
**Beijing Jingneng Clean Energy Co., Limited**  
**KANG Jian**  
*Company Secretary*

Beijing, the PRC  
22 December 2017

*As at the date of this announcement, the non-executive Directors of the Company are Mr. Zhu Yan, Mr. Li Dawei, Mr. Guo Mingxing, Mr. Zhu Baocheng, Mr. Yu Zhongfu and Mr. Zhao Wei; the executive Director of the Company is Mr. Chen Ruijun; and the independent non-executive Directors of the Company are Mr. Huang Xiang, Mr. Zhang Fusheng, Mr. Chan Yin Tsung and Mr. Han Xiaoping.*

## APPENDIX:

**Mr. Meng Wentao**, aged 48, is a senior engineer. He served as the operation team leader and shift leader of the operation department of Inner Mongolia Delate Power Plant from July 1992 to January 2000; the deputy director of the organization department of Inner Mongolia Delate Power Plant from January 2000 to January 2001; the deputy director, director and secretary of the inspection and maintenance department of Inner Mongolia Delate Power Plant from January 2001 to January 2004; the vice chief engineer of the inspection and maintenance department of Inner Mongolia Delate Power Plant from January 2004 to March 2005; the deputy general manager of Inner Mongolia Daihai Electric Power Generation Co., Ltd. (內蒙古岱海發電有限責任公司) from March 2005 to November 2006; the deputy head of the safety production supervision department of North United Power Corporation (北方聯合電力有限責任公司) from November 2006 to May 2007; the general manager of Beijing Jingneng Thermal Power Co., Ltd. from May 2007 to July 2009; the secretary of CPC Committee and general manager of Beijing Jingneng Thermal Power Co., Ltd. from July 2009 to June 2010; the member of the CPC Committee and general manager of the Company from June 2010 to May 2012; the vice general manager of Beijing Energy Investment Holding Co., Ltd. from May 2012 to December 2014; and the vice general manager of Beijing Energy Holding Co., Ltd. since December 2014.

**Mr. Jin Shengxiang**, aged 53, is a senior engineer with a master degree in engineering management. He served as a cadre of the Turbine Research Institute of Beijing Electric Power Research Institute (北京電力科學研究院) from August 1995 to November 2000; a cadre of the Turbine Research Institute and the manager of infrastructure commissioning of North China Electric Power Research Institute Co., Ltd. (華北電力科學院有限責任公司) from November 2000 to December 2005; the deputy head of the Turbine Research Institute of North China Electric Power Research Institute Co., Ltd. from December 2005 to May 2007; the manager of the production safety department of Beijing Jingneng International Power Co., Ltd. from May 2007 to August 2009; the vice president of Beijing Jingneng International Power Co., Ltd. from August 2009 to June 2013; the deputy head and the head of the Power production and operation department of Beijing Energy Investment Holding Co., Ltd. from December 2009 to March 2013; the head of production management department of Beijing Energy Investment Holding Co., Ltd. (北京能源投資(集團)有限公司) from March 2013 to December 2014; and the head of production management department of Beijing Energy Holding Co., Ltd. since December 2014.

**Mr. Tang Xinbing**, aged 53, is a senior economist with a master degree in economics. He served as an officer of the business planning department and the general office secretary of Hubei Supply and Marketing Cooperative from July 1988 to March 1993; the assistant manager of Shenzhen Efeng Trading Co., Ltd. (深圳鄂豐貿易有限公司) from March 1993 to December 1993; the manager of the securities investment department of Hainan Efeng Industrial Trading Company (海南鄂豐實業貿易總公司) from December 1993 to March 1994; the general manager and the legal representative of Hongqiao Securities Consulting Service Company (虹橋證券諮詢服務公司) from March 1994 to September 1995; and the deputy head of office of Hubei Supply and Marketing Cooperative from September 1995 to December 1998. He was seconded to the Administrative Office of the Hubei Provincial Government and served as the secretary to the board and deputy general manager of Beijing Hubei Building Co., Ltd. (北京湖北大廈有限責任公司) from December 1998 to May 2000. Mr. Tang also served as the deputy general manager of Beijing Jiulifang High-tech Development Co., Ltd. (北京九立方高科技發展有限公司) from May 2000 to May 2002; the head of the board office of Beijing International Power Development and Investment Corporation (北京國際電力開發投資公司) and the general manager of Inner Mongolia Daihai Protection Construction Development Co., Ltd. (內蒙古岱海保護建設發展有限責任公司) from May 2002 to November 2004; the office head of the strategic decision

committee of the board and the manager of the strategic development department of Beijing Energy Investment Holding Co., Ltd. from December 2004 to January 2007; the head of the strategic investment office (energy strategy research institute) of Beijing Energy Investment Holding Co., Ltd. from January 2007 to October 2007; the head of the Jiangnan hydropower project planning and construction department of Beijing Energy Investment Holding Co., Ltd. from October 2007 to April 2008; the general manager of Huibei Jingneng Longbeiwan Hydropower Development Co., Ltd. (湖北京能龍背灣水電發展有限公司) from April 2008 to July 2009; the person-in-charge of the strategic investment office of the board of Beijing Energy Investment Holding Co., Ltd. from July 2009 to December 2009; the head of the strategic planning department of Beijing Energy Investment Holding Co., Ltd. from December 2009 to December 2014; the head of the strategic planning department of Beijing Energy Holding Co., Ltd. from December 2014 to November 2015; the head of strategic planning department of Beijing Energy Holding Co., Ltd. and the general manager of Beijing Energy Investment Holding (Hong Kong) Co., Ltd. since November 2015.

**Mr. Zhang Fengyang**, aged 46, is a senior engineer with a bachelor degree in hydraulic and hydropower engineering. He served as the engineer and the deputy head of the design office of Beijing Survey and Design Research Institute (北京勘測設計研究院) from July 1994 to September 2000. He served as the deputy head of the operation and development department, deputy chief design engineer and the party branch secretary of Beijing National Water Conservancy & Electric Power Engineering Co., Ltd. from September 2000 to October 2003; the project manager of the electricity investment and construction department of Beijing International Power Development and Investment Corporation (北京國際電力開發投資公司) from October 2003 to July 2004; the deputy general manager and party branch secretary of Beijing International Power New Energy Co., Ltd. (北京國際電力新能源有限公司) from July 2004 to April 2007; the general manager, party branch secretary and executive director of Beijing International Power New Energy Co., Ltd. from April 2007 to July 2009; the secretary of CPC Committee, general manager and executive director of Beijing Jingneng New Energy Co., Ltd. from July 2009 to November 2013; the executive director of Ningxia Jingneng Lingwu Wind Power Co., Ltd. (寧夏京能靈武風電有限公司) since October 2010; and the general manager of Beijing Jingneng New Energy Co., Ltd. since November 2013.