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CHINA SUNTIEN GREEN ENERGY CORPORATION LIMITED*
新天綠色能源股份有限公司

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

(Stock Code: 00956)

CONNECTED TRANSACTION
CAPITAL INCREASE IN HEBEI GAS

The Board hereby announces that in order to further satisfy the capital needs of Hebei Gas and to effectively ensure the smooth progress of the relevant project investment and construction and maintain the normal operation of Hebei Gas, on 20 October 2022, the Company entered into the Capital Increase Agreement with HECIC, pursuant to which the registered capital of Hebei Gas will be increased by RMB55 million, and the Company and HECIC will subscribe for it according to their respective shareholdings, of which, the Company shall contribute RMB30.25 million and HECIC shall contribute RMB24.75 million. Upon completion of the Capital Increase, the registered capital of Hebei Gas will be increased to RMB155 million from the current RMB100 million, and the respective shareholdings of Hebei Gas held by the Company and HECIC will remain unchanged as to 55% and 45%, respectively.

HECIC is the controlling shareholder of the Company, holding 49.17% equity interest in the Company and directly holding 10% or more equity interest in Hebei Gas, and therefore, Hebei Gas is a connected subsidiary of the Company. The Company's Capital Contribution to Hebei Gas constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio applicable to the amount of the Company's Capital Contribution to Hebei Gas exceeds 0.1% but is less than 5%, the Company's Capital Contribution to Hebei Gas is subject to the reporting and announcement requirements but is exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

In addition, HECIC's Capital Contribution to Hebei Gas also constitutes a connected transaction of the Company, but is fully exempt from the compliance with the rules of connected transactions under Chapter 14A of the Listing Rules in accordance with the Rule 14A.92(1) of the Listing Rules.

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I. CAPITAL INCREASE AGREEMENT

The principal terms of the Capital Increase Agreement are as follows:

Signing Date

20 October 2022

Parties

The Company; and HECIC.

The Capital Increase

The Company and HECIC will make a capital contribution to Hebei Gas according to their respective shareholdings. Upon completion of the Capital Increase, the registered capital of Hebei Gas will be increased to RMB155 million. The amount of capital contribution, shareholding and capital contribution method of each shareholder are as follows:

| Name of shareholder | Current capital contribution <i>(RMB million)</i> | Newly increased capital contribution <i>(RMB million)</i> | Total capital contribution <i>(RMB million)</i> | Shareholding | Capital contribution method |
|---------------------|--|---|--|----------------|-----------------------------------|
| The Company | 55.00 | 30.25 | 85.25 | 55.00% | Cash |
| HECIC | 45.00 | 24.75 | 69.75 | 45.00% | Cash |
| Total | <u>100.00</u> | <u>55.00</u> | <u>155.00</u> | <u>100.00%</u> | |

Both parties shall make payment to the account of Hebei Gas by 31 December 2023 for the proportion of the registered capital they each subscribe for. The Company will use external financing or its self-owned funds for the Company's Capital Contribution to Hebei Gas.

II. INFORMATION ON HEBEI GAS

Hebei Gas was incorporated under the laws of the PRC on 3 December 2018 and its business scope mainly includes: sale of urban gas; sale of gas appliances and accessories, pipelines, pipes and accessories; installation and maintenance of gas appliances; power supply and heat supply; energy saving technology, new energy technology development, technical consulting, technology promotion services; municipal engineering design, construction; self-operation and distribution of import and export of various commodities and technologies.

Based on the financial statements of Hebei Gas prepared in accordance with the Chinese Accounting Standards for Business Enterprises, the key financial data of Hebei Gas for the two years ended 31 December 2020 and 2021 and the six-month period ended 30 June 2022 are as follows:

| Key financial data (audited) | Item | As of 31 December 2020 |
|-------------------------------------|---|------------------------------------|
| | Total assets (<i>RMB'000</i>) | 22,609.61 |
| | Net assets (<i>RMB'000</i>) | 21,984.09 |
| | Item | Year ended 31 December 2020 |
| | Revenue (<i>RMB'000</i>) | 0.00 |
| | Net profit/("-" indicates loss) (before tax and extraordinary items) (<i>RMB'000</i>) | -5,015.07 |
| | Net profit/("-" indicates loss) (after tax and extraordinary items) (<i>RMB'000</i>) | -5,015.11 |
| Key financial data (audited) | Item | As of 31 December 2021 |
| | Total assets (<i>RMB'000</i>) | 108,411.58 |
| | Net assets (<i>RMB'000</i>) | 73,526.38 |
| | Item | Year ended 31 December 2021 |
| | Revenue (<i>RMB'000</i>) | 0.00 |
| | Net profit/("-" indicates loss) (before tax and extraordinary items) (<i>RMB'000</i>) | -8,457.57 |
| | Net profit/("-" indicates loss) (after tax and extraordinary items) (<i>RMB'000</i>) | -8,457.72 |

| Key financial data (unaudited) | Item | As of 30 June 2022 |
|--------------------------------|---------------------------------|--------------------|
| | Total assets (<i>RMB'000</i>) | 80,653.15 |
| | Net assets (<i>RMB'000</i>) | 60,923.03 |

| Item | Six-month period ended 30 June 2022 |
|---|--|
| Revenue (<i>RMB'000</i>) | 0.00 |
| Net profit/("–" indicates loss) (before tax and extraordinary items) (<i>RMB'000</i>) | -12,603.35 |
| Net profit/("–" indicates loss) (after tax and extraordinary items) (<i>RMB'000</i>) | -12,603.35 |

III. REASONS FOR AND BENEFITS OF THE CAPITAL INCREASE

Hebei Gas is constructing the natural gas control centres project in Hebei Province. This project is to establish a modernized natural gas dispatch platform to meet demands from various parties such as operation of dispatch, data analysis, prediction and precaution, emergency command and decision support. After the commencement of operation, it will further strengthen the dynamic monitoring and alerting of natural gas supply and demand of the province and play a positive role in improving the comprehensive regulation and control of natural gas supply. The project requires capital expenditure in procurement of visualized screen equipment, contract performance on production run, intelligent management as well as emergency command, construction and trial operation of gas enterprise data access facilities, and leasing of office and dedicated lines in server room, etc.. After the Capital Increase, it can effectively ensure the smooth progress of the relevant project and maintain the normal operation of Hebei Gas, creating favorable conditions for the project to start production as soon as possible.

The Directors (including the independent non-executive Directors) consider that despite the Company's Capital Contribution to Hebei Gas was not entered into in the ordinary and usual course of business of the Group, it is carried out on normal commercial terms and the terms of the Capital Increase Agreement are fair and reasonable, and are in the interests of the Company and its shareholders as a whole.

IV. IMPLICATIONS UNDER THE LISTING RULES

HECIC is the controlling shareholder of the Company, holding 49.17% equity interest in the Company and directly holding 10% or more equity interest in Hebei Gas, and therefore, Hebei Gas is a connected subsidiary of the Company. The Company's Capital Contribution to Hebei Gas constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio applicable to the amount of the Company's Capital Contribution

to Hebei Gas exceeds 0.1% but is less than 5%, the Company's Capital Contribution to Hebei Gas is subject to the reporting and announcement requirements but is exempted from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

In addition, HECIC's Capital Contribution to Hebei Gas constitutes a connected transaction of the Company, but is fully exempt from the compliance with the rules of connected transactions under Chapter 14A of the Listing Rules in accordance with the Rule 14A.92(1) of the Listing Rules.

As Dr. Cao Xin, Dr. Li Lian Ping, Mr. Qin Gang and Mr. Wu Hui Jiang hold positions in HECIC, and Mr. Mei Chun Xiao and Mr. Wang Hong Jun hold positions in Hebei Gas, they have abstained from voting on the resolutions of the Board approving the execution of the Capital Increase Agreement and the Capital Increase in accordance with the requirements of the articles of association of the Company. Save for the above, none of the Directors has any material interest in the Capital Increase Agreement and the Capital Increase and no other Directors are therefore required to abstain from voting on the relevant resolutions of the Board.

V. GENERAL INFORMATION

The Company

The Company is one of the leading clean energy companies in Northern China. Its scope of business includes: (i) investment in exploration and utilization projects of natural gas, liquefied natural gas, compressed natural gas, coalbed methane and coal-made natural gas, etc.; (ii) investment in the development of new energy projects such as wind power and solar power projects; and (iii) development of new energy technology and technical services.

HECIC

HECIC is a wholly state-owned enterprise established under the approval of the People's Government of Hebei Province and is under the direct supervision of the State-owned Assets Supervision and Administration Commission of the People's Government of Hebei Province. It is primarily engaged in the investment and construction of energy, transportation, water business, commercial real estates and other infrastructure industries, infrastructures and pillar industries of Hebei Province.

VI. DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

| | |
|---|--|
| “Board” | the board of Directors of the Company |
| “Capital Increase” | the capital increase made by the Company and HECIC in Hebei Gas pursuant to the Capital Increase Agreement |
| “Capital Increase Agreement” | the Capital Increase Agreement of Hebei Gas Co., Ltd. entered into between the Company and HECIC on 20 October 2022 |
| “Company” | China Suntien Green Energy Corporation Limited* (新天綠色能源股份有限公司), a joint stock company incorporated in the PRC with limited liability on 9 February 2010, the H shares and A shares of which are listed on the Main Board of the Stock Exchange and the Main Board of the Shanghai Stock Exchange, respectively |
| “Company’s Capital Contribution to Hebei Gas” | the capital contribution made by the Company to Hebei Gas pursuant to the Capital Increase Agreement under the Capital Increase |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “controlling shareholder(s)” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “HECIC” | Hebei Construction & Investment Group Co., Ltd.* (河北建設投資集團有限責任公司), a wholly state-owned enterprise established in the PRC, and the controlling shareholder of the Company |
| “HECIC’s Capital Contribution to Hebei Gas” | the capital contribution made by HECIC to Hebei Gas pursuant to the Capital Increase Agreement under the Capital Increase |
| “Hebei Gas” | Hebei Gas Co., Ltd.* (河北燃氣有限公司), a company incorporated in the PRC with limited liability on 3 December 2018, and a non-wholly owned subsidiary and connected subsidiary of the Company |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |

| | |
|-------------------|---|
| “PRC” | the People’s Republic of China, for the purpose of this announcement, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary(ies)” | has the meaning ascribed to it under the Listing Rules |

By order of the Board
China Suntien Green Energy Corporation Limited
Mei Chun Xiao
Executive Director and President

Shijiazhuang City, Hebei Province, the PRC, 20 October 2022

As at the date of this announcement, the non-executive Directors of the Company are Dr. Cao Xin, Dr. Li Lian Ping, Mr. Qin Gang and Mr. Wu Hui Jiang; the executive Directors of the Company are Mr. Mei Chun Xiao and Mr. Wang Hong Jun; and the independent non-executive Directors of the Company are Mr. Guo Ying Jun, Mr. Wan Yim Keung, Daniel and Dr. Lin Tao.

* *For identification purposes only*