



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)

Board of Directors:

Non-executive Directors:

Dr. Cao Xin (*Chairman*)

Dr. Li Lian Ping

Mr. Qin Gang

Dr. Zhang Xu Lei

Mr. Lu Rong

Mr. Zhao Shi Yi

Executive Director:

Mr. Tan Jian Xin (*President*)

Independent Non-executive Directors:

Dr. Chow Man Kong

Dr. Yang Jing Lei

Mr. Chan Yik Pun

Mr. Liu Bin

Registered Office and

Headquarters:

9th Floor, Block A,

Yuyuan Plaza

No. 9 Yuhua West Road

Shijiazhuang City

Hebei Province

PRC

Principal Place of Business in

Hong Kong:

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Prudential Tower

The Gateway, Harbour City

Tsim Sha Tsui

Hong Kong

30 September 2025

To the Shareholders:

Dear Sir or Madam,

CONNECTED TRANSACTION IN RELATION TO THE PROPOSED SUBSCRIPTION OF NEW H SHARES UNDER THE GENERAL MANDATE AND APPLICATION FOR WHITEWASH WAIVER

INTRODUCTION

On 27 August 2025, the Board approved the proposal of the issuance of H Shares to specific investor, pursuant to which the Company entered into the Share Subscription Agreement with

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For identification purposes only

HECIC on the same date for the issuance of 307,000,000 new H Shares to HECIC or HECIC Nominee at the Subscription Price of HK\$4.93 per Subscription Share for a total consideration of HK\$1,513,510,000 in cash.

The purpose of this circular is to provide you with, among others: (i) further details of the Share Subscription; (ii) further details of the Whitewash Waiver; (iii) a letter of advice from the Takeovers Code Independent Board Committee on the Share Subscription and the Whitewash Waiver; (iv) a letter of advice from the Listing Rules Independent Board Committee on the Share Subscription; and (v) a letter of advice from the Independent Financial Adviser to the Independent Board Committees and the Independent Shareholders on the Share Subscription and the Whitewash Waiver.

RESOLUTIONS TO BE PROPOSED AT THE EGM

The resolutions in relation to the Share Subscription and the Whitewash Waiver to be proposed at the EGM are set out below:

1. *Resolution on the proposal of the issuance of H Shares to specific investor by the Company in 2025*

On 27 August 2025, the Board approved the proposal of the issuance of H Shares to specific investor, pursuant to which the Company will issue a total of 307,000,000 new H Shares to HECIC or HECIC Nominee which would raise gross proceeds of HK\$1,513,510,000. Summary of the proposal of the issuance of H Shares to specific investor is as follows:

Type and par value of Shares to be issued:	H Shares with a par value of RMB1.00 each
Method and time of issue:	The issuance will be undertaken by way of issuance to a specific investor at an appropriate timing within the validity period authorized by the EGM.
Subscriber and method of subscription:	The subscriber is HECIC or HECIC Nominee who intends to subscribe in full in cash on a one-off basis
Issue price:	The issue price is HK\$4.93 per H Share.
Number of H Shares to be issued:	307,000,000 Shares, representing approximately 7.30% of the existing issued share capital of the Company and approximately 6.80% of the issued share capital of the Company as enlarged by the allotment and issuance of the Subscription Shares
Arrangements relating to lock-up period:	HECIC has undertaken that it will not transfer, or procure HECIC Nominee not to transfer, the Subscription Shares in any manner within 36 months from the Completion Date, except

for transfers to subsidiaries directly or indirectly owned or controlled by HECIC, as permitted by the PRC laws, other applicable laws and the listing rules of the jurisdictions where the Shares are listed, provided that the transferee continues to adhere to the same lock-up undertaking. If the CSRC and the stock exchanges where the Shares are listed stipulate otherwise, HECIC undertakes that it will comply with the relevant regulations or procure HECIC Nominee to do so. The lock-up arrangement shall also apply to the additional H Shares derived from the Subscription Shares as a result of bonus issue or conversion of capital reserve into share capital by the Company after the Completion.

Amount and use of proceeds:

The gross proceeds will be HK\$1,513,510,000. The net proceeds (after deduction of issuance expenses and other related costs and expenses) are intended to be used approximately 80% for the construction of wind power projects and gas-fired power plant projects, and approximately 20% to supplement working capital and for other general purposes.

The above resolution will be submitted, by way of special resolution, for the Independent Shareholders' consideration and approval at the EGM.

2. *Resolution on the connected transaction under the Share Subscription Agreement entered into between the Company and the specific investor*

On 27 August 2025 (after trading hours), the Company and HECIC entered into the Share Subscription Agreement, pursuant to which the Company has conditionally agreed to allot and issue, and HECIC has conditionally agreed to subscribe for or nominate HECIC Nominee to subscribe for 307,000,000 new H Shares at the Subscription Price of HK\$4.93 per Subscription Share for a total consideration of HK\$1,513,510,000 in cash. The Share Subscription constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

For further details of the resolution (including the principal terms of the Share Subscription Agreement), please refer to the section headed "Connected Transaction under the Share Subscription Agreement" in the letter from the Board in this circular.

The above resolution will be submitted, by way of special resolution, for the Independent Shareholders' consideration and approval at the EGM.

3. *Resolution on the authorization to the Board and its authorized person(s) to proceed with relevant matters in respect of the issuance of H Shares to specific investor by the Company in their sole discretion*

For the smooth implementation of the issuance of H Shares to specific investor, it is proposed to the EGM to authorize the Board and its authorized person(s) to, in their sole discretion, proceed with relevant matters in respect of the issuance of H Shares to specific investor, including but not limited to:

- (i) within the scope of the proposal of the issuance of H Shares to specific investor approved by the EGM, to be fully responsible for the adjustment and specific implementation of the proposal of the issuance of H Shares to specific investor in accordance with domestic and overseas laws, regulations, and the relevant provisions of securities regulatory authorities, including but not limited to the specific decision on the timing of issuance, start and end dates of the issuance, and the number of Shares to be issued;
- (ii) to decide on or ratify the appointment of intermediaries related to the issuance of H Shares to specific investor, to handle all matters in relation to the application for approval of and registration with relevant domestic and overseas institutions for the issuance of H Shares to specific investor, to formulate, prepare, amend, improve, and execute all documents and materials relating to the issuance of H Shares to specific investor, and to approve and handle information disclosure relating to the issuance of H Shares to specific investor (including but not limited to issuing circulars, other relevant announcements and disclosure documents);
- (iii) to adjust the specific arrangements for the projects to be funded by the raised proceeds within the scope of the resolutions to be passed by the EGM;
- (iv) in case of any new requirements of the issuance of shares to specific investor by the laws, regulations and securities regulatory authorities and changes in market conditions, to adjust the proposal of the issuance of H Shares to specific investor and the application of the raised proceeds and to continue to handle the issuance of H Shares to specific investor in accordance with the relevant national regulations, the requirements of governmental departments and securities regulatory authorities (including the review feedbacks on the application for the issuance of H Shares to specific investor), market conditions, and the actual operational conditions of the Company, except for those subject to re-consideration and approval by the general meeting in accordance with the relevant laws, regulations, and the Articles of Association;
- (v) to execute, submit, report, and perform material contracts and documents during the issuance of H Shares to specific investor and the implementation of the investment projects funded by the raised proceeds, including but not limited to the subscription agreement, supplemental agreements to the subscription agreement (if any), and other documents to be executed for the completion of the transactions thereunder and agreements for the engagement of intermediaries;
- (vi) to handle matters on the share registration, share lock-up, and listing application;
- (vii) to amend the relevant articles in relation to registered capital, total share capital and others in the Articles of Association after the completion based on the results of the issuance of H Shares to specific investor, and to carry out relevant

registration procedures of the change of registered capital and the Articles of Association of the Company, including but not limited the procedure of the industrial and commercial registration, without the need to convene a general meeting;

- (viii) within the scope permitted by relevant laws, regulations, regulatory documents and the Articles of Association, to take necessary actions and handle all other matters relating to the issuance of H Shares to specific investor;
- (ix) to propose to the EGM to approve the authorization by the Board to the chairman, president, and Board secretary, either individually or collectively, to act as the authorized person(s) for the issuance of H Shares to specific investor, to specifically handle the matters related to items (i) to (viii) above concerning the issuance of H Shares to specific investors and to sign relevant legal documents. The authorized person(s) shall have the right to handle the above matters related to the issuance of H Shares to specific investor on behalf of the Company during the issuance of H Shares to specific investor, within the scope of authorization determined by the resolutions of the EGM and the Board's authorization.

With the exception of items (vi) and (vii), whose authorization remains valid until the completion of the relevant matters, all other authorizations outlined above shall be valid for 12 months from the date on which this resolution is approved by the Shareholders at the EGM.

If the Company obtains approvals, permits, filings or registrations (as applicable) from relevant domestic and overseas regulatory authorities within the validity period of the resolution of the EGM concerning the issuance of H Shares to specific investor, the Company is permitted to complete the issuance of H Shares to specific investor within the validity period confirmed by such approvals, permits, filings or registrations from the relevant domestic and overseas regulatory authorities.

The above resolution will be submitted, by way of special resolution, for the Independent Shareholders' consideration and approval at the EGM.

4. *Resolution on the Whitewash Waiver for exemption from the general offer obligation by the controlling Shareholder in accordance with the Takeovers Code*

Under Rule 26.1 of the Takeovers Code, the allotment and issuance of the Subscription Shares under the Share Subscription Agreement to HECIC or HECIC Nominee will give rise to an obligation on the part of HECIC to make a mandatory general offer for all Shares and other securities of the Company (other than those already owned or agreed to be acquired by HECIC and the party acting in concert with it), unless the Whitewash Waiver is granted by the Executive.

HECIC has applied to the Executive (on behalf of itself and the party acting in concert with it) for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code, seeking to waive the compliance with the obligation to make a mandatory general offer in respect of all Shares and other securities of the Company (other than those already owned or agreed to be acquired by HECIC and the party acting in concert with it) as a result of the allotment and issuance of the Subscription Shares

to HECIC or HECIC Nominee. According to requirements of the Takeovers Code, the Whitewash Waiver, if granted, will be subject to, among others, the approval by more than 50% of the votes cast by the Independent Shareholders by way of poll in respect of the Share Subscription and at least 75% of the votes cast by the Independent Shareholders by way of poll in respect of the Whitewash Waiver, respectively, at the EGM. Further, under the relevant PRC laws, the Share Subscription is subject to the approval by at least two-thirds of the votes cast by the Independent Shareholders by way of poll at the EGM.

For further details of the resolution, please refer to the section headed “Takeovers Code Implications and Application for Whitewash Waiver” in the letter from the Board in this circular.

The above resolution on the Whitewash Waiver will be submitted, by way of special resolution, for the Independent Shareholders’ consideration and approval at the EGM.

5. *Resolution on the waiver of the controlling Shareholder’s obligation to make a tender offer in accordance with the Measures for the Administration of the Takeover of Listed Companies*

Pursuant to Article 24 of the Measures for the Administration of the Takeover of Listed Companies, the Share Subscription will trigger the obligation on the part of HECIC to make a tender offer. Pursuant to Article 63 of the Measures for the Administration of the Takeover of Listed Companies, HECIC would be exempted from making such an offer on the condition that (i) the waiver from compliance with the tender offer obligation is approved by at least two-thirds of the votes cast by the Independent Shareholders at the EGM, and (ii) HECIC undertakes to comply with the lock-up arrangement as set out in the paragraph headed “Connected Transaction under the Share Subscription Agreement – Lock-up Period” in the Letter from the Board in this circular.

The above resolution on the waiver from the obligation on the part HECIC to make a tender offer in accordance with the Measures for the Administration of the Takeover of Listed Companies will be submitted, by way of special resolution, for the Independent Shareholders’ consideration and approval at the EGM.

CONNECTED TRANSACTION UNDER THE SHARE SUBSCRIPTION AGREEMENT

On 27 August 2025 (after trading hours), the Company and HECIC entered into the Share Subscription Agreement, pursuant to which the Company has conditionally agreed to allot and issue, and HECIC has conditionally agreed to subscribe for or nominate HECIC Nominee to subscribe for 307,000,000 new H Shares at the Subscription Price of HK\$4.93 per Subscription Share for a total consideration of HK\$1,513,510,000 in cash.

The principal terms of the Share Subscription Agreement are as follows:

Date

27 August 2025

Parties

- (1) The Company (as the issuer); and
- (2) HECIC (as the subscriber).

The Subscription Shares

307,000,000 new H Shares will be issued at the Subscription Price per Subscription Share under the Share Subscription, which represents:

- (a) approximately 7.30% of the existing issued share capital of the Company as at the Latest Practicable Date; and
- (b) approximately 6.80% of the issued share capital of the Company as enlarged by the allotment and issuance of the Subscription Shares immediately after Completion of the Share Subscription.

The Subscription Shares shall be allotted and issued pursuant to the General Mandate.

Ranking

The Subscription Shares, when allotted and issued, shall rank pari passu in all respects among themselves and with the existing issued H Shares.

The Subscription Price

The Subscription Price is HK\$4.93 per Subscription Share for a total consideration of HK\$1,513,510,000. The Subscription Price per Subscription Share represents:

- (a) a premium of approximately 15.19% to the closing price of HK\$4.28 per H Share as quoted on the Hong Kong Stock Exchange on the Latest Practicable Date;
- (b) a premium of approximately 16.55% to the closing price of HK\$4.23 per H Share as quoted on the Hong Kong Stock Exchange on the date of the Share Subscription Agreement and the Last Trading Day;
- (c) a premium of approximately 16.38% to the average closing price of HK\$4.24 per H Share as quoted on the Hong Kong Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (d) a premium of approximately 16.14% to the average closing price of HK\$4.25 per H Share as quoted on the Hong Kong Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day;
- (e) a premium of approximately 15.54% to the average closing price of HK\$4.27 per H Share as quoted on the Hong Kong Stock Exchange for the last sixty (60) consecutive trading days up to and including the Last Trading Day;
- (f) a discount of approximately 11.49% to the audited consolidated net asset value per Share attributable to the Shareholders as at 31 December 2024 of approximately HK\$5.57 per Share calculated based on the audited consolidated net asset of the Group attributable to the Shareholders of RMB21,693,349,600.74 as at 31 December 2024 as extracted from the annual report of the Company for the year ended 31 December 2024

and 4,205,693,073 Shares in issue (based on the exchange rate of HK\$1:RMB0.92604 as at 31 December 2024 published by the China Foreign Exchange Trade System as authorized by The People's Bank of China for illustration purposes); and

- (g) a discount of approximately 20.45% to the unaudited consolidated net asset value per Share attributable to the Shareholders as at 30 June 2025 of approximately HK\$6.20 per Share calculated based on the unaudited consolidated net asset of the Group attributable to the Shareholders of RMB23,768,374,531.03 as at 30 June 2025 as extracted from the interim report of the Company for the six months ended 30 June 2025 and 4,205,693,073 Shares in issue (based on the exchange rate of HK\$1:RMB0.91195 as at 30 June 2025 published by the China Foreign Exchange Trade System as authorized by The People's Bank of China for illustration purposes).

The Subscription Price was determined after arm's length negotiations between the Company and HECIC with reference to:

- (i) the recent and historical market prices of the H Shares as disclosed above;
- (ii) the trading liquidity of the H Shares. The average daily trading volume of H Shares for the 30 consecutive trading days up to and including the Last Trading Day was approximately 6.92 million Shares, which represented less than 0.38% of the total number of issued H Shares as at the Latest Practicable Date. The subscription of H Shares by HECIC or HECIC Nominee at a premium to the market price of H Shares reflects its confidence in the long-term value and potential growth of the Company;
- (iii) the financial position of the Group. The Company's debt-to-asset ratios were 67.73% and 66.23% as at 31 December 2024 and 30 June 2025, respectively, remaining at a relatively high level. Comparing with debt financing which would further increase the debt-to-asset ratio, the Share Subscription will reduce the Company's debt-to-asset ratio and optimize its capital structure;
- (iv) the Group's future development plans and related funding needs as disclosed in the section headed "Use of Proceeds" in the Letter from the Board in this circular; and
- (v) the reasons for and benefits of the Share Subscription as referred to in the section headed "Reasons for and Benefits of the Share Subscription" in the Letter from the Board in this circular.

As disclosed above, the closing price per H Share on, and the average closing price per H Share for the 60 consecutive trading days up to and including, the Last Trading Day was lower than the net asset value per Share (based on the consolidated net assets of the Group as at 31 December 2024 and 30 June 2025). Over a longer period, the closing price of H Shares for one year before the Last Trading Day ranged from a low of HK\$2.99 on 12 September 2024 to a high of HK\$4.57 on 16 June 2025, indicating that H Shares were consistently traded at a discount to the net asset value per Share. The persistence of this discount suggests that, for H Shares, the net asset value per Share has not been the benchmark at which minority investors transact, nor has it been the basis on which the market values the H Shares. In light of the above, the Board considers that the market price of H Shares, which more accurately reflects the fair value of the H Shares traded on the Hong Kong Stock Exchange, rather than the net asset value per Share, serves as a more appropriate reference for setting the Subscription Price. Although the Subscription Price is set at a discount to the net asset value per Share as at 31 December

2024 and 30 June 2025, it represents a premium to the recent and historical market prices of the H Shares. As such, the Board is of the view that the Subscription Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Lock-up Period

HECIC has undertaken that it will not transfer, or procure HECIC Nominee not to transfer, the Subscription Shares in any manner within 36 months from the Completion Date, except for transfers to subsidiaries directly or indirectly owned or controlled by HECIC, as permitted by the PRC laws, other applicable laws and the listing rules of the jurisdictions where the Shares are listed, provided that the transferee continues to adhere to the same lock-up undertaking. If the CSRC and the stock exchanges where the Shares are listed stipulate otherwise, HECIC undertakes that it will comply with the relevant regulations or procure HECIC Nominee to do so. The lock-up arrangement shall also apply to the additional H Shares derived from the Subscription Shares as a result of bonus issue or conversion of capital reserve into share capital by the Company after the Completion.

Conditions Precedent

Completion of the Share Subscription is conditional upon the fulfilment of the following conditions:

- (a) the granting of the Whitewash Waiver by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code of the obligation on the part of HECIC to make a mandatory general offer for all the Shares and other securities of the Company (other than those already owned or agreed to be acquired by HECIC and the party acting in concert with it) as a result of the allotment and issuance of the Subscription Shares pursuant to the Share Subscription Agreement, and the Whitewash Waiver remaining in full force and effect;
- (b) the approval by at least two-thirds of the votes cast by the Independent Shareholders at the EGM in respect of the Share Subscription Agreement and the transactions contemplated thereunder;
- (c) the approval by at least 75% of the votes cast by the Independent Shareholders at the EGM in respect of the Whitewash Waiver;
- (d) the approval by at least two-thirds of the votes cast by the Independent Shareholders at the EGM in respect of the waiver from compliance with the tender offer obligation by HECIC as a result of the Share Subscription under the relevant PRC laws;
- (e) the Listing Committee of the Hong Kong Stock Exchange granting the approval for the listing of, and the permission to deal in, the Subscription Shares and such approval and permission remaining in full force and effect;
- (f) the compliance of any other requirements imposed by the Hong Kong Stock Exchange and/or the SFC in relation to the Share Subscription Agreement and the transactions contemplated thereunder (including the Share Subscription) and the allotment and issue of the Subscription Shares, whether under the Listing Rules, the Takeovers Code or otherwise; and

- (g) all necessary approvals and filings for the implementation or completion of the Share Subscription having been obtained and such approvals and filings remaining in full force and effect, including but not limited to the approval from and filing with the State-owned Assets Supervision and Administration Commission of the People's Government of Hebei Province.

None of the conditions under the Share Subscription Agreement can be waived. As at the Latest Practicable Date, save for the approval from and filing with the State-owned Assets Supervision and Administration Commission of the People's Government of Hebei Province as mentioned in paragraph (g) above, none of the conditions as set out above has been satisfied.

In respect of the condition set out in paragraph (d) above, HECIC is required to make a tender offer for the Shares upon Completion of the Share Subscription under the relevant PRC laws. Pursuant to Article 63 of the Measures for the Administration of the Takeover of Listed Companies, HECIC would be exempted from making such an offer on the condition that (i) the waiver from compliance with the tender offer obligation is approved by at least two-thirds of the votes cast by the Independent Shareholders at the EGM, and (ii) HECIC undertakes to comply with the lock-up arrangement as set out in the paragraph headed "Connected Transaction under the Share Subscription Agreement – Lock-up Period" in the Letter from the Board in this circular.

In respect of the conditions set out in paragraphs (f) and (g) above, as at the Latest Practicable Date and based on information available to the Company, other than those specifically set out in paragraphs (a) to (e) and (g) above, the Company is not aware of any other approvals or filings which are required under paragraphs (f) and (g) above.

In the event that the above conditions have not been fulfilled on or before 31 December 2025, the Share Subscription Agreement shall terminate and lapse, and the Company and HECIC shall be released from all obligations thereunder and neither party shall have claim against the other, save for any rights and obligations accrued prior to such termination.

Completion of the Share Subscription

Subject to the fulfilment of all conditions precedent under the Share Subscription Agreement as set out above, the Completion of the Share Subscription shall take place on the fifth Business Day following HECIC's receipt of the notice from the Company for the payment of consideration for the Share Subscription, or on such other date as the Company and HECIC may agree.

On the Completion Date, HECIC or HECIC Nominee shall pay the total consideration for the Share Subscription in a lump sum to the Company. Meanwhile, the Company shall instruct its H Share registrar to issue and allot the Subscription Shares to HECIC or HECIC Nominee, register HECIC or HECIC Nominee and the Subscription Shares in the register of members of H Shares, and issue share certificate(s) to HECIC or HECIC Nominee.

Termination of the Share Subscription Agreement

The Share Subscription Agreement may be terminated:

- (i) upon agreement in writing between the parties;

- (ii) by the non-defaulting party, if a party seriously breaches its obligations under the Share Subscription Agreement;
- (iii) if the parties fail to obtain the necessary consents or approvals for the implementation or completion of the Share Subscription on or before 31 December 2025, including those from the Independent Shareholders, the State-owned Assets Supervision and Administration Commission of the People's Government of Hebei Province, the Hong Kong Stock Exchange and the SFC (including the Whitewash Waiver); and
- (iv) in the event of a force majeure and upon written confirmation by both parties.

REASONS FOR AND BENEFITS OF THE SHARE SUBSCRIPTION

After taking into consideration of the following factors, the Board considers that it is fair and reasonable and in the interests of the Company and the Shareholders as a whole to raise funds by the issuance of H Shares to HECIC or HECIC Nominee under the Share Subscription Agreement:

1. Accelerating project development

The Group's principal business focuses on the new energy sector (i.e. wind power business) and the clean energy sector (i.e. natural gas business).

Wind power business

For the wind power business, the Group's approved capacity for wind power projects has reached new heights in recent years, with approved capacity of 1.44 million kilowatts in 2023 and 3.78 million kilowatts in 2024. By the end of 2024, the cumulative approved capacity of wind power projects yet to be constructed has exceeded 4.31 million kilowatts. It is expected that the wind power business of the Group will enter a phase of rapid development in the next few years.

As at 30 June 2025, the Company has 11 wind power projects under construction, with a total installed capacity of 1,401.95 megawatts, all located within Hebei Province. These projects are expected to be completed and put into operation by the end of 2026. In addition, the Company has obtained approval for 26 wind power projects that have not yet commenced construction, with a total installed capacity of approximately 4,592 megawatts, located in Hebei, Heilongjiang and Guangxi provinces. These projects are currently undergoing preliminary economic assessments and investment decision processes, and construction will commence gradually once the preparatory work is completed, with an expected construction period of one to two years.

Natural gas business

For the natural gas business, the Group's natural gas sector has formed an upstream, midstream and downstream industry chain, and is accelerating its integrated development. Natural gas power generation is characterized by high efficiency, quick start-up and shutdown, operational flexibility and environmental friendliness. It is anticipated that gas-fired power plants will become a crucial component in constructing a new energy system centered around renewable energy, with significant potential for future growth. Leveraging the Group's advantages in its natural gas sector, including proprietary gas sources, receiving terminals and pipeline facilities, the Company aims

to establish an industrial chain centered on gas-fired power plants, which will help the Group expand market share in end-user sales, enhance the utilization efficiency of receiving terminals and pipeline facilities, and increase the overall profitability of the natural gas sector. By the end of 2024, the Group's cumulative approved capacity for gas turbines has reached 2,880 megawatts. As the natural gas business continues to grow, the funding needs for the construction of gas-fired power plants will increase significantly.

As at 30 June 2025, the Company has obtained approval for the construction of three 2*480 megawatt gas-fired power plant projects in Qinhuangdao Funing, Beidaihe New District and Cangzhou Qingxian, all located in Hebei Province. The projects in Qinhuangdao Funing and Beidaihe New District are planned to commence construction in 2025 and are expected to be completed and put into operation by the end of 2027. The project in Cangzhou Qingxian is still in the preliminary economic assessment stage.

The funds raised from the issuance of H Shares to HECIC or HECIC Nominee under the Share Subscription Agreement will mainly be used in the development of the principal businesses of the Group, which will help accelerate the construction of the Group's new energy and clean energy projects.

2. Optimizing capital structure, enhancing financial stability, and improving the overall risk resistance

Raising funds from the issuance of H Shares to HECIC or HECIC Nominee can alleviate the Company's capital pressure, effectively supplement capital, reduce debt-to-asset ratio, optimize capital structure, enhance financial stability, and improve the Company's overall risk resistance, thereby supporting the Company's healthy, sustainable and steady development.

Before deciding to conduct the issuance of H Shares to HECIC or HECIC Nominee, the Company has considered the feasibility of debt financing and other means of equity financing. However, considering the following factors, the Board believes that issuing H Shares to HECIC or HECIC Nominee is a suitable financing option to support the Group's sustainable development compared to other financing methods:

- (i) Due to project construction and business expansion, the Company's debt-to-asset ratios were 67.73% and 66.23% as at 31 December 2024 and 30 June 2025, respectively, remaining at a relatively high level. Debt financing would further increase the debt-to-asset ratio, impose interest burdens on the Group and may create asset encumbrances that restrict the Group's asset management and operational flexibility, making it less preferable under current circumstances;
- (ii) In respect of other means of equity financing:
 - (a) rights issue is targeted at the Company's existing Shareholders and shall be implemented to the holders of A Shares and H Shares simultaneously at the same price. The average closing price of A Shares represented a significant premium to the closing price of H Shares during the period from the listing date of the A Shares to the Latest Practicable Date. Given the significant premiums of the price of A Shares over the price of H Shares and the capital market environments of Hong Kong and the

mainland China are different, it is not practical to determine a price suitable for both classes of Shares, and thus the Company did not consider rights issue as an appropriate fund-raising method for the Company;

- (b) public issuance of A Shares to unspecific investors is not a common approach adopted by companies listed on the Shanghai Stock Exchange for refinancing purpose and is subject to a length of regulatory review and approval procedure;
- (c) in respect of placing of new H Shares to independent third parties, potential investors typically require a discount to the market price of H Shares, unlike the Subscription Price which represents a premium. Furthermore, given the relatively large number of H Shares proposed to be issued, there is high uncertainty regarding the ability to find suitable and interested placees, the amount of funds to be raised, and the placing commission to be incurred;
- (d) as compared to the issuance of new H Shares to specific investors, the issuance of new A Shares to specific investors would normally require a longer preparation and application period; and
- (e) in respect of issue of convertible bonds, it will incur additional finance costs and increase gearing of the Group before the conversion of underlying shares, which is similar to debt financing.

In view of the foregoing, having considered the overall time and costs required, as well as the uncertainties involved for the debt financing and other means of equity financing as compared to the Share Subscription, and given HECIC's willingness to contribute a substantial sum in one go, without imposing onerous conditions precedent on the Company, the Board is of the view that the Share Subscription is a comparatively more appropriate, commercially favourable and efficient financing choice that allows the Company to raise sufficient funds for its business development purpose.

3. Boosting market confidence and supporting the high-quality development through full subscription by the controlling Shareholder

The controlling Shareholder, HECIC, or HECIC Nominee, as the sole subscriber, will fully subscribe for the H Shares proposed to be issued by the Company. While the issuance of new H Shares is not extended to all existing Shareholders or investors who are independent third parties for reasons discussed above, having a stable and committed investor like HECIC, who subscribes at a premium to the market price of H Shares, ensures a reliable source of capital. The Share Subscription reflects HECIC's firm confidence in the future development of the Group and recognition of the value of the Group, which is conducive to boosting market confidence, safeguarding the interests of the small and medium-sized Shareholders, and promoting the high-quality development of the Group, thereby potentially enhancing the value of investments held by all Shareholders.

The Directors (including the members of the Takeovers Code Independent Board Committee and Listing Rules Independent Board Committee, whose views are set out in the letter from the

Takeovers Code Independent Board Committee and the letter from the Listing Rules Independent Board Committee respectively, but excluding Dr. Cao Xin, Dr. Li Lian Ping, Mr. Qin Gang and Dr. Zhang Xu Lei who had abstained from voting on the relevant Board resolutions and providing views on the matters) are of the view that, although the Share Subscription Agreement was not entered into by the Company in its ordinary and usual course of business, the terms and conditions of the Share Subscription Agreement are on normal commercial terms, and the Share Subscription and the Whitewash Waiver are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

Dr. Cao Xin, Dr. Li Lian Ping, Mr. Qin Gang and Dr. Zhang Xu Lei, each a non-executive Director, abstained from voting on the relevant resolutions of the Board due to a potential conflict of interest, as they either hold positions in or receive salaries from HECIC. Save as disclosed above, none of the Directors had a material interest in the Share Subscription and the Whitewash Waiver and no Director has abstained from voting on the relevant resolutions of the Board.

USE OF PROCEEDS

The gross proceeds from the Share Subscription will be HK\$1,513,510,000 and the net proceeds (after deduction of issuance expenses and other related costs and expenses) will be approximately HK\$1,500 million, whereas the net Subscription Price per Subscription Share will be approximately HK\$4.89.

The net proceeds from the Share Subscription are intended to be used approximately 80% for the construction of wind power projects and gas-fired power plant projects, and approximately 20% to supplement working capital and for other general purposes, with details as follows:

Construction of wind power projects and gas-fired power plant projects

Approximately 80% of the net proceeds from the Share Subscription (i.e. HK\$1,200 million, equivalent to approximately RMB1,100 million) are intended to be invested in 11 wind power projects and two gas-fired power plant projects, with a total capacity of approximately 3,395 megawatts. The total funding required for the construction of these projects is approximately RMB16,500 million. Based on the construction progress of the projects in 2025 and the Company's budget arrangements, it is expected that RMB326 million of the net proceeds from the Share Subscription will be used in 2025, and RMB774 million will be used in 2026. The remaining funds required for the construction of the projects will be sourced from the Company's internal resources, bank loans or other methods. The details of each project are set out below:

No.	Project name	Capacity (megawatt)	Location	Project status	Construction period	Total investment (RMB million)	Capital investment (RMB million)	Use of proceeds in 2025 (RMB million)	Use of proceeds in 2026 (RMB million)
Wind power projects									
1	Hebei Jiantou Daming County	50	Handan, Hebei Province	Under construction	December 2024 to	322	64	11	1

	50MW Wind Power Project (Guaranteed)				December 2026				
2	Hebei Jiantou Daming County 50MW Wind Power Project (Market-based)	50	Handan, Hebei Province	Under construction	December 2024 to December 2026	321	64	3	1
3	Jinzhou 100MW Concrete-Steel Combined Wind-Storage Integrated Demonstration Project	100	Shijiazhuang, Hebei Province	Under construction	April 2025 to December 2026	610	62	6	1
4	Ningjin Xiaohe 100MW “Wind + Salt Storage” Integrated Demonstration Project	100	Shijiazhuang, Hebei Province	Under construction	March 2025 to December 2026	603	62	10	6
5	Handan Suntien Yongnian 100MW Wind Power Project (50MW Guaranteed)	50	Handan, Hebei Province	Under construction	March 2025 to December 2026	308	62	5	6
6	Handan Suntien Yongnian 100MW Wind Power Project (50MW Market-based)	50	Handan, Hebei Province	Under construction	March 2025 to December 2026	285	57	2	5
7	Suntien Green Energy Shenzhou 100MW Wind-Storage Project	100	Shijiazhuang, Hebei Province	Under construction	August 2025 to December 2026	591	60	17	6
8	Fangcheng Nanshan Wind Farm Phase II Project	50	Fangchenggang, Guangxi Province	Not commenced construction	November 2025 to December 2026	356	71	25	40
9	Shanhaiguan Offshore Wind Power Phase I Parity Demonstration Project	425	Qinhuangdao, Hebei Province	Under construction	September 2024 to December 2025	4,033	807	100	350
10	Hebei Jiantou Xiangyun Island 250MW Offshore Wind Power Project	250	Tangshan, Hebei Province	Under construction	December 2024 to December 2026	2,504	257	12	83
11	Tangshan Shunhuan	250	Tangshan, Hebei Province	Under construction	December 2024 to	1,855	133	4	30

	Xiangyun Island 250MW Offshore Wind Power Project				December 2026				
<i>Subtotal</i>		1,475				11,789	1,700	196	529
Gas-fired power plant projects									
12	Suntien Green Energy Funing Gas-fired Power Plant Project	960	Qinhuangdao, Hebei Province	Under construction	July 2025 to December 2027	2,344	469	70	34
13	Beidaihe New District Gas-fired Power Plant Project (2×480MW)	960	Qinhuangdao, Hebei Province	Not commenced construction	December 2025 to December 2027	2,366	473	60	212
<i>Subtotal</i>		1,920				4,710	942	130	245
Total		3,395				16,500	2,642	326	774

General working capital

Approximately 20% of the net proceeds from the Share Subscription are intended to be used to supplement the Company's working capital and for other general purposes, mainly including directors' remuneration and staff costs, audit fees and legal and professional expenses, and other operating expenses. These net proceeds are expected to be fully utilized by the end of 2027.

Although the balance of cash and cash equivalents held by the Company was approximately RMB1,875 million as at 30 June 2025, these funds have already been designated for specific purposes, including approximately RMB883 million allocated for the payment of final dividend for the year 2024 in August 2025, and approximately RMB672 million utilized during July and August 2025 to fund construction projects. The cash balance is also intended for the repayment of financial loans maturing in October and December 2025, as well as for covering expenditures related to other construction projects. The allocation of part of the net proceeds from the Share Subscription for general working capital purposes is essential to sustain the Company's operational efficiency and provides the necessary liquidity to respond to unforeseen expenses and opportunities.

FUND-RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS

The Company has not conducted any equity fund-raising activities in the past twelve months immediately preceding the Latest Practicable Date.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (a) as at the date of the Latest Practicable Date; and (b) immediately after Completion of the Share Subscription, assuming that there is no other change to the share capital and shareholding structure of the Company from the Latest Practicable Date up to the Completion Date, is set out below:

	As at the Latest Practicable Date		Immediately after Completion of the Share Subscription	
	Number of Shares held	Approximate percentage of total number of issued Shares	Number of Shares held	Approximate percentage of total number of issued Shares
A Shares				
<i>HECIC and the party acting in concert with it</i>				
HECIC	2,058,841,253	48.95%	2,058,841,253	45.62%
Subtotal	2,058,841,253	48.95%	2,058,841,253	45.62%
<i>Other non-public shareholders of A Shares</i>				
Dr. Li Lian Ping ⁽¹⁾	200,000	0.0048%	200,000	0.0044%
Mr. Tan Jian Xin ⁽²⁾	200,000	0.0048%	200,000	0.0044%
<i>Public Shareholders of A Shares</i>	307,447,424	7.31%	307,447,424	6.81%
Total issued A Shares	2,366,688,677	56.27%	2,366,688,677	52.45%
H Shares				
<i>HECIC and the party acting in concert with it</i>				
HECIC or HECIC Nominee	-	-	307,000,000	6.80%
Dr. Cao Xin ⁽³⁾	50,000	0.0012%	50,000	0.0011%
Subtotal	50,000	0.0012%	307,050,000	6.80%
<i>Public Shareholders of H Shares</i>	1,838,954,396	43.73%	1,838,954,396	40.75%
Total issued H Shares	1,839,004,396	43.73%	2,146,004,396	47.55%
Total issued Shares held by HECIC and the party acting in concert with it	2,058,891,253	48.95%	2,365,891,253	52.43%
Total issued Shares	4,205,693,073	100%	4,512,693,073	100%

Notes:

- (1) Dr. Li Lian Ping, a non-executive Director, held 200,000 restricted A Shares granted by the Company under its Restricted Share Incentive Scheme. Dr. Li Lian Ping receives his salary from HECIC for his role as a consultant of a subsidiary of HECIC and will abstain from voting on the resolutions to be proposed at the EGM for approving the Share Subscription and the Whitewash Waiver.
- (2) Mr. Tan Jian Xin, an executive Director and the president of the Company, held 200,000 restricted A Shares granted by the Company under its Restricted Share Incentive Scheme. Mr. Tan Jian Xin was involved in the negotiation of the Share Subscription and will abstain from voting on the resolutions to be proposed at the EGM for approving the Share Subscription and the Whitewash Waiver.
- (3) Dr. Cao Xin, a non-executive Director and concurrently a director and the vice chairman of HECIC, held 50,000 H Shares as the beneficial owner. Dr. Cao Xin is a party acting concert with HECIC and will abstain from voting on the resolutions to be proposed at the EGM for approving the Share Subscription and the Whitewash Waiver.
- (4) The percentage figures as set out above are subject to rounding adjustments.

As at the Latest Practicable Date, the Company has 4,205,693,073 Shares in issue and has no convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

INTENTION OF HECIC REGARDING THE COMPANY

The Board was informed by HECIC that, upon Completion, it intends to continue the existing principal business of the Group, and it has no intention: (a) to introduce any major changes to the existing operations of the Group; (b) to re-deploy the fixed assets of the Group; or (c) to discontinue the employment of the employees of the Group other than in the ordinary course of business of the Group. The Board was also informed by HECIC that, upon Completion, it has no intention, nor has it entered into any negotiation, agreement, understanding or arrangement, to downsize or change the scale of the existing principal business of the Group.

INFORMATION OF THE RELEVANT PARTIES

Information of the Company

The Company is one of the leading clean energy companies in Northern China. Its scope of business includes: (i) investment in the 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 exploration of wind power and other new energy projects; and (iii) development of new energy technology and technical services.

Information of HECIC

HECIC, the controlling Shareholder of the Company, is a wholly state-owned company 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.

APPLICATION FOR LISTING

An application will be made by the Company to the Listing Committee of the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

TAKEOVERS CODE IMPLICATIONS AND APPLICATION FOR WHITEWASH WAIVER

As at the Latest Practicable Date, HECIC holds 2,058,841,253 A Shares, representing approximately 48.95% of the issued share capital of the Company, and Dr. Cao Xin, as a director and the vice chairman of HECIC, is considered to be a party acting in concert with HECIC, who holds 50,000 H Shares, representing approximately 0.0012% of the issued share capital of the Company. Upon Completion of the Share Subscription and assuming that there is no other change in the issued share capital of the Company prior to the Completion, the shareholding of HECIC and the party acting in concert with it will increase to approximately 52.43% of the issued share capital of the Company as enlarged by the allotment and issuance of the Subscription Shares.

As such, under Rule 26.1 of the Takeovers Code, the allotment and issuance of the Subscription Shares under the Share Subscription Agreement to HECIC or HECIC Nominee will give rise to an obligation on the part of HECIC to make a mandatory general offer for all Shares and other securities of the Company (other than those already owned or agreed to be acquired by HECIC and the party acting in concert with it), unless the Whitewash Waiver is granted by the Executive.

HECIC has submitted an application to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code, seeking to waive the compliance with its obligation to make a mandatory general offer in respect of all Shares and other securities of the Company (other than those already owned or agreed to be acquired by HECIC and the party acting in concert with it) as a result of the allotment and issuance of the Subscription Shares to HECIC or HECIC Nominee. The Executive has indicated that it is minded to grant the Whitewash Waiver, subject to, among other things, the approval by at least 75% of the votes cast by the Independent Shareholders in respect of the Whitewash Waiver and more than 50% of the votes cast by the Independent Shareholders in respect of the Share Subscription, respectively, at the EGM. Further, under the relevant PRC laws, the Share Subscription is subject to the approval by at least two-thirds of the votes cast by the Independent Shareholders by way of poll at the EGM. The Share Subscription Agreement will not take effect and the Share Subscription will not proceed if the Whitewash Waiver is not granted by the Executive or approved by the Independent Shareholders or if the Whitewash Waiver is invalidated.

If the Whitewash Waiver is approved by the Independent Shareholders and the Completion occurs, the aggregate holding of voting rights of the Company held by HECIC and the party acting in concert with it resulting from the Share Subscription will exceed 50% of the voting rights of the Company. HECIC and the party acting in concert with it as a concert group may further increase their holdings of voting rights of the Company without incurring any further obligations under Rule 26 of the Takeovers Code to make a general offer.

As at the Latest Practicable Date, the Company did not believe that the Share Subscription gives rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). The Company notes that the Executive may not grant the Whitewash Waiver or if granted, it may be invalidated if the Share Subscription does not comply with other applicable rules and regulations.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, HECIC, which holds 2,058,841,253 A Shares, representing approximately 48.95% of the issued share capital of the Company, is the controlling Shareholder of the Company, and is therefore a connected person of the Company. Accordingly, the Share Subscription constitutes a connected transaction of the Company and will be subject to announcement, reporting and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Subscription Shares shall be allotted and issued pursuant to the General Mandate. Under the General Mandate, the Board is authorized to allot, issue and deal with a maximum of 473,337,735 A Shares and 367,800,879 H Shares, respectively, representing not more than 20% of the total number of each of the A Shares and H Shares in issue as at the date of passing such resolution. As at the Latest Practicable Date, the Company has not issued any Shares pursuant to the General Mandate.

Pursuant to note (1) to Rule 13.36(2) of the Listing Rules, the issuance of the Subscription Shares under the General Mandate to HECIC or HECIC Nominee, a connected person of the Company, is subject to Independent Shareholders' approval at the EGM.

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEES AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.8 of the Takeovers Code, the Takeovers Code Independent Board Committee (comprising all the non-executive Directors and independent non-executive Directors who have no direct or indirect interest in the Share Subscription and the Whitewash Waiver, namely Mr. Lu Rong, Mr. Zhao Shi Yi, Dr. Chow Man Kong, Dr. Yang Jing Lei, Mr. Chan Yik Pun and Mr. Liu Bin) has been formed to make recommendation to the Independent Shareholders on the Share Subscription and the Whitewash Waiver, and as to voting. Dr. Cao Xin, Dr. Li Lian Ping, Mr. Qin Gang and Dr. Zhang Xu Lei, each a non-executive Director, will not be members of the Takeovers Code Independent Board Committee due to a potential conflict of interest, as they either hold positions in or receive salaries from HECIC. They are therefore not considered as independent for the purpose of giving advice or recommendations to the Independent Shareholders.

Pursuant to the Listing Rules, the Listing Rules Independent Board Committee (comprising all the independent non-executive Directors who have no direct or indirect interest in the Share Subscription, namely Dr. Chow Man Kong, Dr. Yang Jing Lei, Mr. Chan Yik Pun and Mr. Liu Bin) has been formed to make recommendation to the Independent Shareholders on the terms of the Share Subscription and as to voting.

Gram Capital, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, has been appointed by the Company with the approval of the Independent Board Committees to advise the Independent Board Committees and the Independent Shareholders on the Share Subscription and the Whitewash Waiver and to make recommendation as to voting.

THE EGM

The EGM will be convened to consider and, if thought fit, approve, among others, the Share Subscription and the Whitewash Waiver. Details of the EGM and the resolutions to be proposed at the EGM are set out in the Notice of EGM.

The proxy form is enclosed. If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon. For holders of H Shares, the proxy form should be returned to Computershare Hong Kong Investor Services Limited in person or by post not less than 24 hours before the time fixed for holding the EGM (i.e. on or before Thursday, 23 October 2025) or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or at any other adjourned meeting should you so wish.

Arrangements for holders of A Shares to attend the EGM will be separately announced by the Company on the Shanghai Stock Exchange's website as and when appropriate.

VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules and Rule 2.9 of the Takeovers Code, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the EGM will exercise his power under the Articles of Association to demand a poll in relation to the proposed resolutions at the EGM.

HECIC, its ultimate beneficial owner, its associates and any party acting in concert with it together with any other Shareholder who is involved or interested in the Share Subscription and the Whitewash Waiver will be required to abstain from voting on all the resolutions to be proposed at the EGM. Details of the abstaining Shareholders are set out below:

- (i) HECIC, the controlling Shareholder holding 2,058,841,253 A Shares, representing approximately 48.95% of total number of issued Shares as at the Latest Practicable Date;
- (ii) Dr. Cao Xin, a non-executive Director and a Shareholder holding 50,000 H Shares, representing approximately 0.0012% of total number of issued Shares as at the Latest Practicable Date, who is also a director and the vice chairman of HECIC and therefore a party acting concert with HECIC;
- (iii) Dr. Li Lian Ping, a non-executive Director and a Shareholder holding 200,000 restricted A Shares granted by the Company under the Restricted Share Incentive Scheme, representing approximately 0.0048% of total number of issued Shares as at the Latest Practicable Date, who receives his salary from HECIC for his role as a consultant of a subsidiary of HECIC and may be regarded as having a potential conflict of interest; and
- (iv) Mr. Tan Jian Xin, an executive Director and the president of the Company and a Shareholder holding 200,000 restricted A Shares granted by the Company under the Restricted Share Incentive Scheme, representing approximately 0.0048% of total number of issued Shares as at the Latest Practicable Date, who was involved in the negotiation of the Share Subscription.

Save as disclosed above, there is no Shareholder with a material interest in the resolutions to be proposed at EGM which is required to abstain from voting at the EGM.

There is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholder; and (ii) no obligation or entitlement of any Shareholder as at the Latest Practicable Date, whereby it has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its Shares to a third party, either generally or on a case-by-case basis. There exists no discrepancy between any Shareholder's beneficial shareholding interest in the Company and the number of Shares in the Company in respect of which such Shareholder will control or will be entitled to exercise control over the voting right at the EGM.

RECOMMENDATIONS

Your attention is drawn to (i) the letter from the Takeovers Code Independent Board Committee set out on pages 30 to 31 of this circular containing its recommendations to the Independent Shareholders on the Share Subscription and the Whitewash Waiver; (ii) the letter from the Listing Rules Independent Board Committee set out on pages 32 to 33 of this circular containing its recommendations to the Independent Shareholders on the Share Subscription; and (iii) the letter from the Independent Financial Adviser set out on pages 34 to 64 of this circular containing its advice to the Independent Board Committees and the Independent Shareholders on the Share Subscription and the Whitewash Waiver. The Independent Shareholders are advised to read the aforesaid letters before deciding as to how to vote on the resolutions to be proposed at the EGM.

As the Share Subscription is subject to the satisfaction of the conditions precedent under the Share Subscription Agreement as set out in the section headed “Connected Transaction under the Share Subscription Agreement – Conditions Precedent” in the Letter from the Board in this circular, including but not limited to the granting of the Whitewash Waiver by the Executive, the proposed Share Subscription may or may not proceed.

According to requirements of the Takeovers Code, the Whitewash Waiver, if granted, will be subject to, among others, the approval by at least 75% of the votes cast by the Independent Shareholders in respect of the Whitewash Waiver and more than 50% of the votes cast by the Independent Shareholders in respect of the Share Subscription, respectively, at the EGM. Further, under the relevant PRC laws, the Share Subscription is subject to the approval by at least two-thirds of the votes cast by the Independent Shareholders by way of poll at the EGM. The Share Subscription Agreement will not take effect and the Share Subscription will not proceed if the Whitewash Waiver is not granted by the Executive or approved by the Independent Shareholders or if the Whitewash Waiver is invalidated.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company and are recommended to consult their stockbroker, bank manager, solicitor or other professional adviser if they are in any doubt about their position and actions that they should take.

By order of the Board of
China Suntien Green Energy Corporation Limited

A handwritten signature in black ink, consisting of stylized Chinese characters, positioned below the company name.

Tan Jian Xin
Executive Director and President