

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 CAOFEIDIAN COMPANY

The Board hereby announces that on 25 August 2021, the Company entered into the Capital Increase Agreement with HECIC, pursuant to which the registered capital of Caofeidian Company will be increased by RMB799 million, and the Company and HECIC will subscribe for it according to their respective shareholdings, of which, the Company shall contribute RMB407.49 million and HECIC shall contribute RMB391.51 million. Upon completion of the 2021 Capital Increase, the registered capital of Caofeidian Company will be increased to RMB2,149 million from the current RMB1,350 million, and the respective shareholdings of Caofeidian Company held by the Company and HECIC will remain unchanged as to 51% and 49% respectively.

HECIC is the controlling shareholder of the Company, holding 10% or more equity interest in Caofeidian Company, and therefore, Caofeidian Company is a connected subsidiary of the Company. The Company's Capital Contribution to Caofeidian Company constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Company's Capital Contribution to Caofeidian Company under the 2021 Capital Increase, when aggregated with the Company's capital contribution to Caofeidian Company under the 2020 Capital Increase, exceeds 0.1% but is less than 5%, the Company's Capital Contribution to Caofeidian Company under the 2021 Capital Increase 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 Caofeidian Company constitutes a connected transaction of the Company, but is fully exempted from the compliance with the rules of connected transactions under Chapter 14A of the Listing Rules in accordance with the requirements of Rule 14A.92(1) of the Listing Rules.

I. CAPITAL INCREASE AGREEMENT

The Board hereby announces that on 25 August 2021, the Company entered into the Capital Increase Agreement with HECIC, pursuant to which the registered capital of Caofeidian Company will be increased, and the Company and HECIC will subscribe for it according to their respective shareholdings. The principal terms of the Capital Increase Agreement are as follows:

Signing Date

25 August 2021

Parties

The Company; and

HECIC.

2021 Capital Increase

The Company and HECIC will make a capital contribution to Caofeidian Company according to their respective shareholdings. Upon completion of the 2021 Capital Increase, the registered capital of Caofeidian Company will be increased to RMB2,149 million. The amount of capital contribution and shareholding of each shareholder are as follows:

Name of shareholder	Current capital contribution (RMB million)	Newly increased capital contribution (RMB million)	Total capital contribution (RMB million)	Shareholding	Way of capital contribution
The Company	688.5	407.49	1,095.99	51%	Cash
HECIC	661.5	391.51	1,053.01	49%	Cash
Total	1,350.0	799.00	2,149.00	100%	

Both parties shall make payment to the account of Caofeidian Company by 31 December 2022 for the proportions of the registered capital they each subscribe for.

The Company will use its owned funds for the Company's Capital Contribution to Caofeidian Company.

II. INFORMATION ON CAOFEIDIAN COMPANY

Caofeidian Company was incorporated under the laws of the PRC on 22 March 2018 and is primarily responsible for investment in the development of the Tangshan LNG Project, the Hebei Suntien Tangshan LNG Terminal Outbound Pipelines Project (Caofeidian-Baodi section) and the Hebei Suntien Tangshan LNG Terminal Outbound Pipelines Project (Baodi-Yongqing section).

Based on the financial statements of Caofeidian Company prepared in accordance with the Chinese Accounting Standards for Business Enterprises, the key financial data of Caofeidian Company for the two years ended 31 December 2019 and 2020 and the six-month period ended 30 June 2021 are as follows:

Key financial data (audited)	Item	As of
		31 December 2019
	Total assets (<i>RMB'000</i>)	471,940
	Net assets (<i>RMB'000</i>)	182,120

Key financial data (audited)	Item	Year ended
		31 December 2019
	Revenue (<i>RMB'000</i>)	0.00
	Net profit/("-" indicates loss) (before tax and extraordinary items) (<i>RMB'000</i>)	-80
	Net profit/("-" indicates loss) (after tax and extraordinary items) (<i>RMB'000</i>)	-80

Key financial data (audited)	Item	As of
		31 December 2020
	Total assets (<i>RMB'000</i>)	3,350,642
	Net assets (<i>RMB'000</i>)	731,876

**Year ended
31 December
2020**

Item	
Revenue (<i>RMB'000</i>)	0.00
Net profit/("-" indicates loss) (before tax and extraordinary items) (<i>RMB'000</i>)	-75
Net profit/("-" indicates loss) (after tax and extraordinary items) (<i>RMB'000</i>)	-75

**As of
30 June
2021**

Key financial data (unaudited)

Item	
Total assets (<i>RMB'000</i>)	6,562,902
Net assets (<i>RMB'000</i>)	1,349,874

**Six-month
period ended
30 June
2021**

Item	
Revenue (<i>RMB'000</i>)	0.00
Net profit/("-" indicates loss) (before tax and extraordinary items) (<i>RMB'000</i>)	-2.2
Net profit/("-" indicates loss) (after tax and extraordinary items) (<i>RMB'000</i>)	-2.2

III. REASONS FOR AND BENEFITS OF THE 2021 CAPITAL INCREASE

The Tangshan LNG Project and the Outbound Pipelines Project constructed by Caofeidian Company have been listed as the projects to be sped up in the 2020 oil and natural gas infrastructure key constructions of the National Development and Reform Commission of the PRC (國家發改委2020年石油天然氣基礎設施重點工程), and comply with the relevant requirements of the Implementation Plan on Speeding Up the Development of Natural Gas Storage Capacity (關於加快推進天然氣儲備能力建設的實施方案) issued by four authorities including the Provincial Development and Reform Commission of Hebei Province. The construction of this project will play a positive role in the implementation of the deployment of the production, supply, storage and marketing system of natural gas across the country, and the proactive establishment of a system for guaranteeing the supply of diversified gas sources in Hebei Province to ensure the safety of gas supply. Due to the large scale, huge investment and long construction period of the above-mentioned projects to be invested and constructed by Caofeidian Company, it is necessary to raise funds by way of capital contribution by shareholders and external financing based on the needs of project constructions. The 2021 Capital Increase will ensure that the projects can be carried out effectively and create the favourable condition for the projects to be put into operation as soon as possible.

The 2021 Capital Increase provides direct financial support for the relevant projects of Caofeidian Company while meeting the requirement that capital shall be available simultaneously or in advance for Caofeidian Company to withdraw bank loans and improving the financing capability of Caofeidian Company.

Based on the above, the Directors (including the independent non-executive Directors) consider that the Company's Capital Contribution to Caofeidian Company 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 10% or more equity interest in Caofeidian Company, and therefore, Caofeidian Company is a connected subsidiary of the Company. The Company's Capital Contribution to Caofeidian Company under the 2021 Capital Increase constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Company's Capital Contribution to Caofeidian Company under the 2021 the Capital Increase, when aggregated with the Company's capital contribution to Caofeidian Company under the 2020 Capital Increase, exceeds 0.1% but is less than 5%, the Company's Capital Contribution to Caofeidian Company under the 2021 Capital Increase 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 Caofeidian Company constitutes a connected transaction of the Company, but is fully exempted from the compliance with the rules of connected transactions under Chapter 14A of the Listing Rules in accordance with the requirements of 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 Caofeidian Company, 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 Director is 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, LNG, compressed natural gas, coalbed methane and coal-made natural gas, etc.; (ii) investment in the development of new energy projects such as wind power, solar power, and nuclear energy 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:

“2020 Capital Increase”	the transaction in relation to the capital increase of RMB438.6 million and RMB421.4 million respectively made by the Company and HECIC in Caofeidian Company pursuant to the Capital Increase Agreement of Caofeidian Suntien Liquefied Natural Gas Co., Ltd. entered into on 26 August 2020. Please refer to the Company’s announcement dated 26 August 2020 for details;
“2021 Capital Increase”	the capital increase made by the Company and HECIC in Caofeidian Company pursuant to the Capital Increase Agreement;
“Board”	the board of Directors of the Company;
“Caofeidian Company”	Caofeidian Suntien Liquefied Natural Gas Co., Ltd.* (曹妃甸新天液化天然氣有限公司), a company incorporated in the PRC with limited liability on 22 March 2018, and a non-wholly owned subsidiary of the Company;
“Company’s Capital Contribution to Caofeidian Company”	the capital contribution made by the Company to Caofeidian Company pursuant to the Capital Increase Agreement under the 2021 Capital Increase;
“Capital Increase Agreement”	the Capital Increase Agreement of Caofeidian Suntien Liquefied Natural Gas Co., Ltd. entered into between the Company and HECIC on 25 August 2021;
“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;
“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 Caofeidian Company”	the capital contribution made by HECIC to Caofeidian Company pursuant to the Capital Increase Agreement under the 2021 Capital Increase;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“LNG”	liquefied natural gas;
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“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, 25 August 2021

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*