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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
PROVISION OF GUARANTEE TO HUIHAI

THE GUARANTEE

Huihai, an associated company of the Group, proposes to enter into the Facility Contract with Minsheng Bank Shijiazhuang Branch to obtain a credit facility of up to RMB300 million for financing energy-related projects. The credit facility is expected to be valid for three years.

On 25 August 2022, the Board resolved to approve the provision of a guarantee to Huihai for the loan(s) granted by Minsheng Bank Shijiazhuang Branch. The maximum amount of debts to be assumed by the Company is expected to be RMB350 million. As security for the Company's interest, the Company will enter into the Counter-Guarantee Contract with Huihai, under which Huihai will provide a counter-guarantee to the Company by way of a pledge of the right of rent receivable from its existing and future investment in finance lease projects. Signing of the Guarantee Contract and the Counter-Guarantee Contract will be subject to the approval of the shareholders at an extraordinary general meeting to be convened by the Company in respect of the Guarantee. In addition, the Company will charge a guarantee fee at an annualised rate of not more than 0.5% for the Guarantee, which is estimated to be not more than RMB4.50 million.

IMPLICATION UNDER THE LISTING RULES

As at the date of this announcement, HECIC is the controlling shareholder of the Company holding 49.17% equity interest in the Company, and Huihai is controlled by HECIC. Therefore, Huihai is a connected person of the Company, and the Guarantee constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

The Company expects that the highest applicable percentage ratio (as calculated according to Rule 14.07 of the Listing Rules) of the Guarantee will be more than 0.1% but less than 5%, the Guarantee is subject to the reporting and announcement requirements, but is exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

In addition, the counter-guarantee to be provided by Huihai to the Company constitutes a financial assistance from a connected person to the Company. As the Company will not provide any security over its assets, pursuant to Rule 14A.90 of the Listing Rules, the counter-guarantee to be provided by Huihai is fully exempt from the shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

In accordance with the requirements of the A Share Listing Rules, Huihai is a connected legal person (as defined in the A Share Listing Rules) of the Company, the provision of the Guarantee to a connected legal person is subject to the approval of the shareholders at the general meeting of the Company. The Company will dispatch a notice and a circular of the extraordinary general meeting to the shareholders and make further announcement(s) on the progress of the Guarantee in due course .

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THE GUARANTEE

The principal terms of the Guarantee Contract are as follows:

- Parties:
- (i) the Company (as guarantor)
 - (ii) Minsheng Bank Shijiazhuang Branch (as a creditor)

Guarantee terms and coverage: The Company will provide a maximum guarantee for all of Huihai's debts under the Facility Contract with Minsheng Bank Shijiazhuang Branch, pursuant to which Minsheng Bank Shijiazhuang Branch will grant to Huihai a credit facility of not more than RMB300 million for a period of three years, during which Huihai may draw down loans with a total amount of not more than RMB300 million within the credit facility. The maximum term of the loan is three years and the interest rate is not more than 5% per annum.

It is expected that the maximum amount of debts to be assumed by the Company under the Guarantee Contract will be RMB350 million, comprising a maximum principal loan amount of RMB300 million and a maximum amount of interest and other payables of RMB50 million. The guarantee is in the form of irrevocable joint and several liability. Minsheng Bank Shijiazhuang Branch will have the right to recourse directly from the Company in the event of any default of Huihai.

Guarantee period: Two years upon the expiry of each individual loan, and the expiration of the guarantee period is expected no later than December 2030.

THE GUARANTEE FEE

The Company will charge a guarantee fee at an annualised rate of not more than 0.5% per annum for the Guarantee, which is estimated to be not more than RMB4.5 million. The guarantee fee rate was negotiated and agreed between the two parties after taking into account the counter-guarantee in respect of the Guarantee to be provided by Huihai and with reference to the guarantee fee charged by other listed companies in the market.

THE COUNTER GUARANTEE CONTRACT

The principal terms of the Counter-Guarantee Contract are as follows:

Parties: (i) the Company (as guarantor)
(ii) Huihai (as a counter-guarantor)

Counter-guarantee approach: Huihai will provide a pledge of the right of rent receivable from its existing and future investment in finance lease projects. The exact amount and terms of the counter-guarantee is subject to the duly signed Counter-Guarantee Contract.

Amount of counter-guarantee assets: As of 25 August 2022, the aggregate actual value of the assets to be pledged by Huihai as counter-guarantee was approximately RMB439.26 million.

Guarantee period: It covers the full term of the Guarantee by the Company.

REASONS FOR AND BENEFITS OF THE GUARANTEE

Huihai obtains loan financing for its finance lease business from external third-party financial institutions from time to time based on its capital requirement. At present, major shareholders of Huihai have provided continued support for Huihai's financing, of which, the total amount of guarantees provided by HECIC and Jointo Energy Investment Co., Ltd. (a subsidiary of HECIC directly holding 30.77% equity interest in Huihai) to Huihai were RMB506.21 million and RMB521.57 million, respectively. The purpose of Huihai's credit facility with Minsheng Bank Shijiazhuang Branch is to obtain loans to fund various energy-related financing projects. The purpose of the Guarantee is to assist Huihai in obtaining bank loans to secure its normal operation, which will facilitate the long-term and stable development of Huihai's business and provide a better investment return to all its shareholders. The assets of Huihai are in good condition, its production and operations are normal, its business development prospect is positive and it has debt-paying ability. The risk relating to the provision of guarantee to Huihai is manageable and the Guarantee will not affect the Company's ability to operate as a going concern and will not prejudice the interests of the Company and its shareholders.

The Board (including the independent non-executive Directors) are of the view that although the Guarantee is not provided in the ordinary and usual course of business of the Company, it is conducted on normal commercial term, and the terms of the relevant agreements in relation to the Guarantee are fair and reasonable and in the interests of the Company and its shareholders as a whole. 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 holds position in Huihai, they have abstained from voting on the resolution of the Board approving the Guarantee. Save as disclosed above, none of the Directors have any material interest in the Guarantee and no other Directors are therefore required to abstain from voting on the relevant resolution of the Board.

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The Company expects that the highest applicable percentage ratio (as calculated according to Rule 14.07 of the Listing Rules) of the Guarantee will be more than 0.1% but less than 5%, the Guarantee is subject to the reporting and announcement requirements, but is exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

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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, coalbed methane and coal-based natural gas; (ii) investment in the development of new energy projects such as wind power and solar power; and (iii) development of new energy technology and technical services.

HECIC and Huihai

HECIC is a wholly state-owned enterprise incorporated 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.

Huihai is a company established on 27 August 2015 under the PRC laws. As at the date of this announcement, HECIC and its subsidiaries hold an aggregate of 70% equity interest in Huihai, while the Company holds an aggregate of 30% equity interest in Huihai through two wholly-owned subsidiaries. Huihai is primarily engaged in financial leasing business, leasing business, purchase of domestic and foreign rental property, disposal of residual value and maintenance of rental property, advice and guarantees of leasing transactions. It is also engaged in commercial factoring (non-bank financing) related to its main business. According to the information provided by Huihai, the total assets and total liabilities of Huihai as of 31 December 2021 amounted to approximately RMB1,688.8 million and approximately RMB997.7 million, respectively; operating revenue and net profit for 2021 amounted to approximately RMB89.4 million and approximately RMB31.9 million, respectively (the above figures have been audited in accordance with PRC accounting standards).

Minsheng Bank Shijiazhuang Branch

Minsheng Bank Shijiazhuang Branch is a branch under Minsheng Bank. According to the public information of Minsheng Bank, Minsheng Bank was established in Beijing on 12 January 1996, and is the first national joint-stock commercial bank in China, mainly initiated by private enterprises. It was listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange in 2000 and 2009, respectively. It has developed into a banking conglomerate with financial licenses in commercial banking, financial leasing, fund management and offshore investment banking. It ranked 22nd in the 2022 "Top 1000 World Banks" of the Banker's magazine in the United Kingdom, and 273rd among the 2022 "Top 500 World Companies" of the Fortune's magazine in the United States. The single largest

shareholder of Minsheng Bank is Dajia Life Insurance Co., Ltd.* (大家人壽保險股份有限公司). To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Minsheng Bank and its single largest shareholder are third parties independent from the Company and its connected persons.

DEFINITIONS

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

“A Share Listing Rules”	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange
“Board”	the board of Directors of the Company
“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 same meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the same meaning ascribed to it under the Listing Rules
“Counter-Guarantee Contract”	the Counter-Guarantee Contract to be entered into by the Company and Huihai in respect of the Guarantee, which is subject to the approval of the shareholders at the general meeting of the Company
“Director(s)”	the director(s) of the Company
“Facility Contract”	the Comprehensive Facility Contract to be entered into by Huihai and Minsheng Bank Shijiazhuang Branch in respect of the credit facility of RMB300 million
“Group”	the Company and its subsidiaries
“Guarantee(s)”	the provision of guarantee by the Company to Huihai for loan(s) from Minsheng Bank Shijiazhuang Branch and the related arrangements arising therefrom

“Guarantee Contract”	the Maximum Guarantee Contract to be entered into by the Company and Minsheng Bank Shijiazhuang Branch in respect of the Guarantee, which is subject to the approval of the shareholders at the general meeting of the Company
“HECIC”	Hebei Construction & Investment Group Co., Ltd.* (河北建設投資集團有限責任公司), a state-owned enterprise incorporated in the PRC, and the controlling shareholder of the Company
“Huihai”	Huihai Financial Leasing Co., Ltd.* (匯海融資租賃股份有限公司), a joint stock company incorporated in Shenzhen, the PRC, with limited liability and a connected person of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minsheng Bank”	China Minsheng Bank Corp., Ltd., a national joint-stock commercial bank established in the PRC
“Minsheng Bank Shijiazhuang Branch”	the Shijiazhuang Branch of Minsheng Bank
“PRC”	the People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, 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 same meaning ascribed to it under the Listing Rules

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

Shijiazhuang City, Hebei Province, the PRC
25 August 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 purpose only