

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint 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 joint announcement.*



山高新能源集團有限公司  
SHANDONG HI-SPEED NEW ENERGY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 01250)

SHANDONG HI-SPEED HOLDINGS GROUP LIMITED  
山高控股集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 412)

## **JOINT ANNOUNCEMENT DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITIONS OF EQUITY INTEREST IN TARGET COMPANIES**

### **THE ACQUISITIONS**

Each of the SHNE Board and the SDHG Board announces that on 20 December 2022 (after trading hours), (i) Vendor-1A, Vendor-1B and the Purchaser, an indirect non-wholly owned subsidiary of each of SHNE and SDHG, entered into the Equity Transfer Agreement-1 in relation to the sale and purchase of Sale Equity-1 at the aggregate consideration of RMB143,567,600; (ii) Vendor-2 and the Purchaser, entered into the Equity Transfer Agreement-2 in relation to the sale and purchase of Sale Equity-2 at the consideration of RMB55,928,800; and (iii) Vendor-2 and the Purchaser, entered into the Equity Transfer Agreement-3 in relation to the sale and purchase of Sale Equity-3 at the consideration of RMB43,226,300. Upon the Completions, the Purchaser shall hold entire equity interest in each of the Target Companies and each of the Target Companies shall become an indirect non-wholly owned subsidiary of each of SHNE and SDHG.

### **LISTING RULES IMPLICATIONS**

Pursuant to Rule 14.22 of the Listing Rules, a series of transactions will be aggregated and treated as if they were one transaction if they were all completed within a 12-month period or were otherwise related. As the Equity Transfer Agreements are entered into with the Vendors which are controlled by the same ultimate beneficial owner, Acquisition-1, Acquisition-2 and Acquisition-3 were aggregated in the calculation of the relevant percentage ratios to determine the classification of transactions under the Listing Rules.

Since certain of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Acquisitions exceed 5% and all of the applicable ratios are less than 25% for each of SHNE and SDHG, the Acquisitions constitute a discloseable transaction for each of SHNE and SDHG under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## THE ACQUISITIONS

Each of the SHNE Board and the SDHG Board announces that on 20 December 2022 (after trading hours), (i) Vendor-1A, Vendor-1B and the Purchaser, an indirect non-wholly owned subsidiary of each of SHNE and SDHG, entered into the Equity Transfer Agreement-1 in relation to the sale and purchase of Sale Equity-1 at the consideration of RMB143,567,600; (ii) Vendor-2 and the Purchaser, entered into the Equity Transfer Agreement-2 in relation to the sale and purchase of Sale Equity-2 at the consideration of RMB55,928,800; and (iii) Vendor-2 and the Purchaser, entered into the Equity Transfer Agreement-3 in relation to the sale and purchase of entire Sale Equity-3 at the consideration of RMB43,226,300. Upon the Completions, the Purchaser shall hold entire equity interest in each of the Target Companies and each of the Target Companies shall become an indirect non-wholly owned subsidiary of each of SHNE and SDHG.

The major terms of the Equity Transfer Agreements are as follows:

### Equity Transfer Agreement-1

<b>Date</b>	:	20 December 2022
<b>Parties</b>	:	Vendor-1A and Vendor-1B (as vendors)  Purchaser (as purchaser)
<b>Subject Matter</b>	:	Pursuant to the Equity Transfer Agreement-1:  (i) Vendor-1A agrees to sell, and the Purchaser agrees to purchase, the Sale Equity-1A, representing the 80% of the equity interest in Target Company-1; and

- (ii) Vendor-1B agrees to sell, and the Purchaser agrees to purchase, the Sale Equity-1B, representing the 20% of the equity interest in Target Company-1.

**Consideration and payment terms** : The total consideration for the sale and purchase of the Sale Equity-1 is RMB143,567,600 (the “**Consideration-1**”) of which consideration for Sale-Equity-1A is RMB114,854,080 and consideration for Sale-Equity-1B is RMB28,713,520.

Consideration-1 is payable in instalments in the following manner:

- (i) RMB49,435,000 has been paid by the Purchaser to Vendor-1A and Vendor-1B as at the date of this joint announcement;
- (ii) RMB47,066,300 shall be payable by the Purchaser to the bank account jointly designated by Vendor-1A and Vendor-1B before 31 December 2022; and
- (iii) the remaining amount of Consideration-1 shall be payable by the Purchaser to the bank account jointly designated by Vendor-1A and Vendor-1B before 15 January 2023.

**Completion** : The completion of Equity Transfer Agreement-1 shall take place on 1 January 2023.

## **Equity Transfer Agreement-2**

- Date** : 20 December 2022
- Parties** : Vendor-2 (as vendor)  
Purchaser (as purchaser)
- Subject Matter** : Pursuant to the Equity Transfer Agreement-2, Vendor-2 agrees to sell, and the Purchaser agrees to purchase, the Sale Equity-2, representing entire equity interest in Target Company-2.
- Consideration and payment terms** : The total consideration for the sale and purchase of the Sale Equity-2 is RMB55,928,800 (the “**Consideration-2**”), which is payable in instalments in the following manner:
- (i) RMB27,964,400 shall be payable by the Purchaser to the bank account designated by Vendor-2 before 31 December 2022; and
  - (ii) the remaining amount of the Consideration-2 shall be payable by the Purchaser to the bank account designated by Vendor-2 before 15 January 2023.
- Completion** : The completion of Equity Transfer Agreement-2 shall take place on 1 January 2023.

### **Equity Transfer Agreement-3**

- Date** : 20 December 2022
- Parties** : Vendor-2 (as vendor)  
Purchaser (as purchaser)
- Subject Matter** : Pursuant to the Equity Transfer Agreement-3, Vendor-2 agrees to sell, and the Purchaser agrees to purchase, the Sale Equity-3, representing entire equity interest in Target Company-3.
- Consideration and payment terms** : The total consideration for the sale and purchase of the Sale Equity-3 is RMB43,226,300 (the “**Consideration-3**”), which is payable in instalments in the following manner:
- (i) RMB21,613,150 shall be payable by the Purchaser to the bank account designated by Vendor-2 before 31 December 2022; and
  - (ii) the remaining amount of the Consideration-3 shall be payable by the Purchaser to the bank account designated by Vendor-2 before 15 January 2023.
- Completion** : The completion of Equity Transfer Agreement-3 shall take place on 1 January 2023.

## **Considerations for the Acquisitions**

The aggregate amount of the Considerations of RMB242,722,700 were determined after arm's length negotiations between the Purchaser and the Vendors after taking into consideration, among others, the following factors: (i) unaudited net asset value and total assets of each of the Target Companies (prepared in accordance with the generally accepted accounting principles of the PRC); (ii) the prospects of the business activities of each of the Target Companies; and (iii) the benefits that would be brought to the Company as a result of the Acquisitions as described in the paragraph headed "Reasons for and Benefits of the Acquisitions". The Purchaser will finance the Considerations by internal resources of the SHNE Group.

## **Completions of the Acquisitions**

Upon the Completions, the Purchaser shall hold entire equity interest in each of the Target Companies. Each of the Target Companies shall become an indirect non-wholly owned subsidiary of each of SHNE and SDHG and the financial results of each of the Target Companies will be consolidated to the accounts of each of the SHNE Group and SDHG Group.

## **INFORMATION OF THE SHNE GROUP**

### **SHNE and the SHNE Group**

SHNE is a company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of the Stock Exchange (Stock Code: 1250). The principal activity of SHNE is investment holding. The SHNE Group is principally engaged in the investment, development, construction, operation and management of photovoltaic power businesses, wind power businesses and clean heat supply businesses in the PRC.

## **The Purchaser**

The Purchaser is an indirect non-wholly owned subsidiary of each of SHNE and SDHG which is a limited liability company established in the PRC and is principally engaged in business management consulting. As at the date of this joint announcement, the Purchaser is wholly owned by Beiqing Smart. Beiqing Smart is owned as to (i) approximately 80.24% by Tianjin Fuqing, an indirect wholly-owned subsidiary of SHNE; (ii) approximately 5.08% by Tianjin Ping An (Limited Partnership); and (iii) approximately 14.68% in aggregate by 16 institutional investors and none of these institutional investors individually holds more than 5% of the equity interest in Beiqing Smart.

## **INFORMATION ON THE SDHG GROUP**

SDHG is an investment holding company incorporated in Bermuda with limited liability and its shares are listed on the Main Board of the Stock Exchange (Stock Code: 412). The SDHG Group is principally engaged in industrial investment, standard investment business, non-standard business and licensed financial services.

## **INFORMATION ON THE VENDORS AND THE TARGET COMPANIES**

### **Vendor-1A**

Vendor-1A is a company established in the PRC with limited liability and is principally engaged in wind power generation and project management, power technology development and power engineering construction.

Vendor-1A is wholly owned by 清電能源集團有限公司 (Qingdian Energy Group Co., Ltd.\*) (“**Qingdian Energy**”). Qingdian Energy is wholly owned by 北京清電有限公司 (Beijing Qingdian Co., Ltd.\*) (“**Beijing Qingdian**”). Beijing Qingdian is owned as to (i) 99% by 清電總部管理有限公司 (Qingdian Headquarters Management Co., Ltd.\*) (“**Qingdian Headquarters**”) and (ii) 1% by 張菊軍 (Zhang Jujun\*). Qingdian Headquarters is owned as to (i) 99% by 張菊軍 (Zhang Jujun\*) and (ii) 1% by Beijing Qingdian.

## **Vendor-1B**

Vendor-1B is a company established in the PRC with limited liability and is principally engaged in hydropower generation, power transmission and power supply and distribution.

Vendor-1B is wholly owned by Qingdian Energy.

## **Vendor-2**

Vendor-2 is a company established in the PRC with limited liability and is principally engaged in development, construction, operation, management and technical services of wind power projects.

Vendor-2 is wholly owned by Qingdian Energy.

To the best of the knowledge, information and belief of the SHNE Directors and SDHG Directors, having made all reasonable enquiries, each of the Vendors and their respective ultimate beneficial owners are Independent Third Parties.

## **Target Company-1**

Target Company-1 is a company established in the PRC with limited liability. It was established on 8 August 2016 with a registered capital of RMB45,000,000. It is principally engaged in development, investment, construction, operation and management of wind power generation projects and technical services for other new energy projects. As at the date of this joint announcement, Target Company-1 is owned as to 80% by Vendor-1A and 20% by Vendor-1B.

Set out below are certain unaudited financial information of Target Company-1 (prepared in accordance with the generally accepted accounting principles of the PRC) for the two years ended 31 December 2020 and 31 December 2021 respectively:

	<b>For the year ended 31 December 2020</b> <i>(unaudited)</i> <i>(Approximate)</i> <i>RMB'000</i>	<b>For the year ended 31 December 2021</b> <i>(unaudited)</i> <i>(Approximate)</i> <i>RMB'000</i>
Profit before tax	25,154	20,713
Profit after tax	25,154	20,713

As at 30 November 2022, the unaudited net asset value and total assets of Target Company-1 (prepared in accordance with the generally accepted accounting principles of the PRC) were approximately RMB54,306,000 and RMB1,419,151,000 respectively.

### **Target Company-2**

Target Company-2 is a company established in the PRC with limited liability. It was established on 22 May 2018 with a registered capital of RMB170,000,000. It is principally engaged in development, construction, operation, management of wind power projects and technical services for other new energy projects. As at the date of this joint announcement, Target Company-2 is wholly owned by Vendor-2.

Set out below are certain unaudited financial information of Target Company-2 (prepared in accordance with the generally accepted accounting principles of the PRC) for the two years ended 31 December 2020 and 31 December 2021 respectively:

	<b>For the year ended 31 December 2020</b> <i>(unaudited)</i> <i>(Approximate)</i> <i>RMB'000</i>	<b>For the year ended 31 December 2021</b> <i>(unaudited)</i> <i>(Approximate)</i> <i>RMB'000</i>
Profit before tax	38	18,177
Profit after tax	38	18,177

As at 30 November 2022, the unaudited net asset value and total assets of Target Company-2 (prepared in accordance with the generally accepted accounting principles of the PRC) were approximately RMB22,861,000 and RMB582,959,000 respectively.

### **Target Company-3**

Target Company-3 is a company established in the PRC with limited liability. It was established on 24 November 2017 with a registered capital of RMB5,000,000. It is principally engaged in development, construction, operation and management of wind power generation projects and technical services for new energy projects. As at the date of this joint announcement, Target Company-3 is wholly owned by Vendor-2.

Set out below are certain unaudited financial information of Target Company-3 (prepared in accordance with the generally accepted accounting principles of the PRC) for the two years ended 31 December 2020 and 31 December 2021 respectively:

	<b>For the year ended 31 December 2020 <i>(unaudited)</i> <i>(Approximate)</i> RMB'000</b>	<b>For the year ended 31 December 2021 <i>(unaudited)</i> <i>(Approximate)</i> RMB'000</b>
Profit before tax	–	12,052
Profit after tax	–	12,052

As at 30 November 2022, the unaudited net asset value and total assets of Target Company-3 (prepared in accordance with the generally accepted accounting principles of the PRC) were approximately RMB27,156,000 and RMB500,005,000 respectively.

## **REASONS FOR AND BENEFITS OF THE ACQUISITIONS**

The SHNE Group is positioned as a flagship new energy enterprise under Shandong Hi-Speed Group, with development, investment and operation of new energy, namely wind power and photovoltaic power, and urban clean heat supply services as its core businesses, to become a first-class integrated new energy operator and service provider in the PRC and strive to become the first tier in the industry.

The Acquisitions allow SHNE and SDHG to obtain the rights and interests in the Target Companies which are all principally engaged in, among others, development, construction, operation, management of wind power projects. The SHNE Directors and SDHG Directors believe that the Acquisitions are in line with the SHNE Group's development strategy to promote the revolution in energy production and consumption, and building a clean, low-carbon, safe and efficient energy system. It represents an opportunity to broaden the SHNE Group's business portfolio in the wind power industry and enables positive earnings contributions that may be brought by the Target Companies and the prospects of the wind power industry. In addition, the terms of the Equity Transfer Agreements were determined after arm's length negotiations between the Purchaser and the Vendors. In view of the above, the SHNE Directors and SDHG Directors consider that the terms of the Equity Transfer Agreements are fair and reasonable and in the interests of each of SHNE and SDHG and their respective shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Pursuant to Rule 14.22 of the Listing Rules, a series of transactions will be aggregated and treated as if they were one transaction if they were all completed within a 12-month period or were otherwise related. As the Equity Transfer Agreements are entered into with the Vendors which are controlled by the same ultimate beneficial owner, Acquisition-1, Acquisition-2 and Acquisition-3 were aggregated in the calculation of the relevant percentage ratios to determine the classification of transactions under the Listing Rules.

Since certain of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Acquisitions exceed 5% and all of the applicable ratios are less than 25% for each of SHNE and SDHG, the Acquisitions constitute a discloseable transaction for each of SHNE and SDHG under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“Acquisition-1”	acquisition of Sale Equity-1 in accordance with Equity Transfer Agreement-1
“Acquisition-2”	acquisition of Sale Equity-2 in accordance with Equity Transfer Agreement-2
“Acquisition-3”	acquisition of Sale Equity-3 in accordance with Equity Transfer Agreement-3
“Acquisitions”	collectively Acquisition-1, Acquisition-2 and Acquisition-3
“associates”	has the meaning ascribed to it under the Listing Rules
“Beiqing Smart”	天津北清電力智慧能源有限公司 (Tianjin Beiqing Electric Smart Energy Co., Ltd.*), a company established in the PRC with limited liability
“Completions”	completions of the Acquisitions in accordance with the terms and conditions of the Equity Transfer Agreements
“Considerations”	collectively Consideration-1, Consideration-2 and Consideration-3
“controlling shareholder”	has the meaning as ascribed to it under the Listing Rules
“Equity Transfer Agreement-1”	the equity transfer agreement in relation to the sale and purchase of Sale Equity-1 dated 20 December 2022 entered into between Vendor-1A, Vendor-1B and the Purchaser
“Equity Transfer Agreement-2”	the equity transfer agreement in relation to the sale and purchase of entire Sale Equity-2 dated 20 December 2022 entered into between Vendor-2 and the Purchaser

“Equity Transfer Agreement-3”	the equity transfer agreement in relation to the sale and purchase of Sale Equity-3 dated 20 December 2022 entered into between Vendor-2 and the Purchaser
“Equity Transfer Agreements”	collectively Equity Transfer Agreement-1, Equity Transfer Agreement-2 and Equity Transfer Agreement-3
“Independent Third Party(ies)”	person(s) or company(ies) which is/are independent of any member of the SHNE Group and the SDHG Group, the SHNE Directors, the SDHG Directors, the chief executives, the controlling shareholders, the substantial shareholders of each of SHNE and SDHG or their subsidiaries, and their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchaser”	天津富驛企業管理諮詢有限公司 (Tianjin Fuyi Enterprise Management Consulting Co., Ltd.*), a company established in the PRC with limited liability
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Equity-1A”	80% of the equity interest in Target Company-1 to be sold by Vendor-1A to the Purchaser in accordance with the Equity Transfer Agreement-1
“Sale Equity-1B”	20% of the equity interest in Target Company-1 to be sold by Vendor-1B to the Purchaser in accordance with the Equity Transfer Agreement-1
“Sale Equity-1”	collectively Sale Equity-1A and Sale Equity-1B

“Sale Equity-2”	entire equity interest in Target Company-2 to be sold by Vendor-2 to the Purchaser in accordance with the Equity Transfer Agreement-2
“Sale Equity-3”	entire equity interest in Target Company-3 to be sold by Vendor-2 to the Purchaser in accordance with the Equity Transfer Agreement-3
“SDHG”	Shandong Hi-Speed Holdings Group Limited (山高控股集團有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 412)
“SDHG Board”	the board of directors of SDHG
“SDHG Directors”	the directors of SDHG
“SDHG Group”	SDHG and its subsidiaries
“SHNE”	Shandong Hi-Speed New Energy Group Limited (山高新能源集團有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1250)
“SHNE Board”	the board of directors of SHNE
“SHNE Directors”	the directors of SHNE
“SHNE Group”	SHNE and its subsidiaries
“Shandong Hi-Speed Group”	山東高速集團有限公司 (Shandong Hi-Speed Group Co., Ltd.*), a company established in the PRC with limited liability and an indirect controlling shareholder of each of SDHG and SHNE
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company-1”	商丘寧電新能源有限公司 (Shangqiu Ningdian New Energy Co., Ltd.*), a company established in the PRC with limited liability
“Target Company-2”	蘭考金風清電新能源有限公司 (Lankao Gold Wind Power New Energy Co., Ltd.*), a company established in the PRC with limited liability
“Target Company-3”	沈丘穎電新能源有限公司 (Shenqiu Yingdian New Energy Co., Ltd.*), a company established in the PRC with limited liability
“Target Companies”	collectively Target Company-1, Target Company-2 and Target Company-3
“Tianjin Fuqing”	天津富清投資有限公司 (Tianjin Fuqing Investment Co., Ltd.*), a limited liability company established in the PRC
“Vendor-1A”	中電建河南電力有限公司 (China Power Construction Henan Electric Power Co., Ltd.*), a company established in the PRC with limited liability
“Vendor-1B”	清電綠色能源有限公司 (Qingdian Green Energy Co., Ltd.*), a company established in the PRC with limited liability
“Vendor-2”	河南清電新能源有限公司 (Henan Qingdian New Energy Co., Ltd.*), a company established in the PRC with limited liability
“Vendors”	collectively Vendor-1A, Vendor-1B and Vendor-2
“%”	per cent

By Order of the SHNE Board  
**Shandong Hi-Speed New  
Energy Group Limited**  
**Wang Xiaodong**  
*Chairman*

By Order of the SDHG Board  
**Shandong Hi-Speed Holdings  
Group Limited**  
**Wang Xiaodong**  
*Chairman*

Hong Kong, 20 December 2022

*As at the date of this joint announcement, the SHNE Board comprises twelve Directors, namely Mr. Wang Xiaodong, Mr. Zhu Jianbiao, Mr. Wang Wenbo, Mr. Sun Qingwei, Ms. Liao Jianrong, Mr. Li Li, Mr. He Yongbing and Ms. Ai Yan as executive Directors; and Professor Shen Zuojun, Mr. Victor Huang, Mr. Yang Xiangliang and Mr. Chiu Kung Chik as independent non-executive Directors.*

*As at the date of this joint announcement, the SDHG Board comprises Mr. Wang Xiaodong, Mr. Zhu Jianbiao, Ms. Liao Jianrong, Mr. Liu Zhijie and Mr. Liu Yao as executive Directors; Mr. Liang Zhanhai, Mr. Chen Di and Mr. Wang Wenbo as non-executive Directors; and Mr. Guan Huanfei, Mr. Chan Wai Hei, Mr. Tan Yuexin and Mr. Jonathan Jun Yan as independent non-executive Directors.*

\* *For identification purpose only*