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北京能源國際控股有限公司

Beijing Energy International Holding Co., Ltd.

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

**CONTINUING CONNECTED TRANSACTION
2026-2028 ELECTRICITY AND GECS
TRANSACTION FRAMEWORK AGREEMENT**

On 28 February 2026, the Company entered into the 2026-2028 Electricity and GECS Transaction Framework Agreement with BEH, pursuant to which the Group agreed to enter into transactions with the BEH Group in relation to (i) the purchase of electricity; (ii) the supply of electricity; (iii) the provision of agency services for the purchase of electricity; and (iv) the trading of Green Electricity Certificates, which shall become effective upon being signed by the legal representative(s) or authorised representative(s) of the Company and BEH (i.e., 28 February 2026) and will expire on 31 December 2028.

LISTING RULES IMPLICATIONS

As at the date of this announcement, BEH is the controlling shareholder of the Company, indirectly holding approximately 32.64% of the issued share capital of the Company (excluding treasury shares). Accordingly, BEH is a connected person of the Company under the Listing Rules. Therefore, the entering into of the 2026-2028 Electricity and GECS Transaction Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of all applicable percentage ratios in respect of the 2026-2028 Electricity and GECS Transaction Framework Agreement is higher than 0.1% but less than 5% on an annual basis, the entering into of the 2026-2028 Electricity and GECS Transaction Framework Agreement is subject to reporting, annual review and announcement requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

INTRODUCTION

On 28 February 2026, the Company entered into the 2026-2028 Electricity and GECs Transaction Framework Agreement with BEH, pursuant to which the Group agreed to enter into transactions with the BEH Group in relation to (i) the purchase of electricity; (ii) the supply of electricity; (iii) the provision of agency services for the purchase of electricity; and (iv) the trading of Green Electricity Certificates, which shall become effective upon being signed by the legal representative(s) or authorised representative(s) of the Company and BEH (i.e., 28 February 2026) and will expire on 31 December 2028.

2026-2028 ELECTRICITY AND GECS TRANSACTION FRAMEWORK AGREEMENT

The principal terms of the 2026-2028 Electricity and GECs Transaction Framework Agreement are set out as follows:

Date: 28 February 2026

Parties: (i) the Company

(ii) BEH

Term of the agreement: The 2026-2028 Electricity and GECs Transaction Framework Agreement shall become effective upon being signed by the legal representative(s) or authorised representative(s) of the Company and BEH (i.e., 28 February 2026) and will expire on 31 December 2028. Subject to compliance with the requirements under relevant laws and the Listing Rules, the 2026-2028 Electricity and GECs Transaction Framework Agreement may be extended upon mutual agreement of the parties.

Major terms Pursuant to the 2026-2028 Electricity and GECs Transaction Framework Agreement, the Group agreed to enter into transactions with the BEH Group in relation to (i) the purchase of electricity; (ii) the supply of electricity; (iii) the provision of agency services for electricity; and (iv) the trading of Green Electricity Certificates.

Pricing Policy

The electricity supplied by the Group to the BEH Group and purchased by the Group from BEH Group shall be conducted through mutual negotiation or trading platforms in compliance with applicable PRC laws, regulations and prevailing market practices for electricity transactions.

Where relevant PRC laws and regulations require that electricity transfers be subject to a tender or bidding process, the pricing shall be determined in accordance with the tendering and bidding procedures, with reference to the unified market-clearing price.

If the transfer of electricity is not subject to a tender or bidding process under the relevant PRC laws and regulations, the price will be determined through arm's length negotiations between the Group and the BEH Group, taking into account the reference annual, monthly or unit prices published on the local trading platform of the new energy power project, as well as the market supply and demand conditions. The transactions shall be fully declared, confirmed, and executed through the electricity trading platform operated by the relevant electricity trading institution. The electricity trading institution clears bids through the trading platform and produces preliminary trading results. Upon security verification by the electricity system operator, the electricity trading institution finalizes and publishes the final trading results. The results submitted and confirmed through the electricity trading platform shall be implemented in accordance with the electronic trading confirmation issued by the power trading institution, which shall constitute an electronic contract.

The service fees for the provision of electricity procurement agency services are derived from the spread between the price charged to the electricity purchaser and the cost incurred to acquire electricity from the supplier. This spread is influenced by several key factors, including the retail prices offered to the Group's customers, the wholesale electricity prices paid by the Group, and the degree of alignment between the procured electricity curve and the customer's actual load curve. Both electricity sales and purchases are conducted under prevailing market conditions. The cost of electricity acquisition is determined by wholesale spot market prices, while the prices charged to electricity purchasers are set based on various considerations, including the characteristics of the customer's electricity load.

The transactions of Green Electricity Certificates under the 2026-2028 Electricity and GECs Transaction Framework Agreement shall be determined as follows:

- (1) for acting as an agent of BEH Group to sell or purchase GECs of new energy projects, a certain service fee shall be charged, and the service fee shall be determined as follows:
 - (i) the amount of the prices for the Green Electricity Certificates (as the case may be) paid by the Group in excess of the prevailing market price multiplied by (ii) the charging rate, which shall be no less than the rate obtained through local external tendering process for the same type of services, or if such tendering process is unavailable, no less than the rate quoted by no less than two local independent third parties on normal commercial terms in the ordinary and usual course of business for the same or similar services. The prevailing market price at a particular time will refer to (i) the prices announced by local electricity trading centers or China Green Power Certificate Trading Platform for other transactions occurred at or near that time; or (ii) if is not available, the prices quoted by no less than two local independent third parties on normal commercial terms in the ordinary and usual course of business for transactions occurred at or near that time.
- (2) for selling GECs to or purchasing GECs from BEH Group, the prices shall be determined with reference to the then market third-party transaction prices and the prices announced by the trading platforms.

HISTORICAL TRANSACTION AMOUNTS

Reference is made to the Company's announcement date 28 February 2026, in relation to the electricity transaction agreements entered into between 1 January 2025 and 31 December 2025. The Group and the BEH Group entered into separate electricity transaction agreements through bilateral negotiation. The actual transaction amounts of electricity related transactions of the Group for the year ended 31 December 2025 are as follows:

	For the year ended 31 December 2025 <i>(RMB'million)</i>
Transaction amount for electricity purchases made by the Group	56.09
Transaction amount for electricity sales made by the Group	95.92
Transaction amount for agency services for the purchase of electricity delivered by the Group	nil
Transaction amount for the GEC trading of delivered by the Group	0.01

ANNUAL CAPS

The table below sets out the proposed annual caps for fees under the 2026-2028 Electricity and GECs Transaction Framework Agreement for the periods indicated below:

	For the year ending 31 December 2026 (RMB'million)	For the year ending 31 December 2027 (RMB'million)	For the year ending 31 December 2028 (RMB'million)
Purchase of electricity	40	60	80
Supply of electricity	95	97	99
Provision of agency services for the purchase of electricity	10	20	30
Trading of Green Electricity Certificates	10	20	30

BASIS OF DETERMINATION OF THE ANNUAL CAPS

In arriving at the annual caps, the Company considered a number of factors, including (i) the national/regional planning, (ii) major market policies or rules, (iii) estimates of the market supply and demand for electricity, GECs and domestic and international emission reduction assets, (iv) the BEH Group's power generation capacity, (v) estimated output of the BEH Group's GECs and domestic and international emission reduction assets, and (vi) the prevailing market rates and the estimated increase in market rates to be charged for these services to be received attributable to the increase in operating costs.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2026-2028 ELECTRICITY AND GECS TRANSACTION FRAMEWORK AGREEMENT

The Group and BEH and/or its associates have maintained normal business dealings and share a mutual understanding of each other's operational plans. By entering into 2026-2028 Electricity and GECs Transaction Framework Agreement, the Group will purchase the electricity and/or power generation quota and/or power generation rights from BEH and/or its associates through carrying out intra-provincial transfer of power generation quota, green power trading transactions and inter-provincial electricity transactions in areas where the Company and its subsidiaries are located. BEH and/or its associates purchase electricity from the Group when they are unable to produce sufficient electricity to fulfil their obligations to

supply electricity under electricity sales agreements with other parties. These transactions will be beneficial to the operation and development of the business of the Group, so as to realise the maximum benefit for the Company by producing electricity where it has production capacity. Meanwhile, the Group purchases electricity from BEH and/or its associates when there is insufficient electricity production and the Group is unable to fulfil its obligations to supply electricity under electricity supply agreements with other parties.

The Group's provision of agency services for the purchase of electricity and the trading of Green Electricity Certificates under the 2026-2028 Electricity and GECs Transaction Framework Agreement would not only secure an additional income source, but also enhance the Group's market presence, experience and reputation in the trading markets for electricity, green certificates and domestic and international emission reduction credits.

The Directors (including the independent non-executive Directors) consider that the 2026-2028 Electricity and GECs Transaction Framework Agreement has been entered into on normal commercial terms or better in the ordinary course of business of the Group, which is in line with the development needs of the Company and in the interests of the Company and its Shareholders as a whole.

INTERNAL CONTROL MEASURES

To safeguard the interests of the Shareholders as a whole, including the minority Shareholders, the Company has adopted internal approval and monitoring procedures relating to the transactions contemplated under the 2026-2028 Electricity and GECs Transaction Framework Agreement, which include the following:

Pricing terms and mechanism

All relevant operation departments of the Group (including safety production department and company secretarial department of the Company) are jointly responsible for conducting reviews on compliance with relevant laws, regulations, the Group's internal policies and the Listing Rules in respect of both continuing connected transactions and connected transactions. They are also jointly responsible for evaluating the transaction terms under each underlying agreement of the 2026-2028 Electricity and GECs Transaction Framework Agreement, in particular, the fairness and reasonableness of the pricing terms under each agreement.

Ongoing monitoring of terms and annual caps

Independent non-executive Directors will review the terms of the 2026-2028 Electricity and GECs Transaction Framework Agreement and the transactions contemplated thereunder to ensure that the agreements are entered into on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

The safety production department and company secretarial department of the Company will monitor the transactions under the 2026-2028 Electricity and GECs Transaction Framework Agreement on a regular basis. With the benefit of time and communication, both departments will monitor and assess whether the annual caps are expected to be exceeded based on respective proposed transactions to be entered into, and where necessary, elevate such issue to the Board with proposed revised annual caps and such other relevant information so that the Board will be in a position to consider and, where applicable, comply with applicable Listing Rules in connection with such revised annual caps.

Independent non-executive Directors and auditors of the Company will conduct annual review of the transactions under the 2026-2028 Electricity and GECs Transaction Framework Agreement (including the rates and fees charged in respect of the transactions) and provide annual confirmations in accordance with the Listing Rules that the transactions are conducted in accordance with the terms of the agreements and the Group's pricing policy measures, and to confirm if the price and terms offered are fair and reasonable and comparable to those offered by unrelated third parties.

INFORMATION OF THE PARTIES

The Company is a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 686) and is an investment holding company operating its business through its subsidiaries. The Group is principally engaged in the development, investment, operation and management of power plants and other clean energy projects.

BEH is a company incorporated in the PRC with limited liability which principally engages in the businesses of generation and supplying of electricity and heat, production and sale of coal and health and cultural tourism. It is a state-owned company in the PRC indirectly wholly-owned by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality. BEH is the controlling shareholder of the Company, indirectly holding approximately 32.64% of the issued share capital of the Company (excluding treasury shares). Therefore, BEH is a connected person of the Company under the Listing Rules.

LISTING RULES IMPLICATIONS

As at the date of this announcement, BEH is the controlling shareholder of the Company, indirectly holding approximately 32.64% of the issued share capital of the Company (excluding treasury shares). Accordingly, BEH is a connected person of the Company under the Listing Rules. Therefore, the entering into of the 2026-2028 Electricity and GECs Transaction Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

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APPROVAL BY THE BOARD

As Mr. Li Yuhai (the chairman of the Board and the non-executive Director) is the deputy secretary of the party committee, the director and the general manager of BEH, he had abstained from voting on the Board resolution approving the 2026-2028 Electricity and GECs Transaction Framework Agreement and the transactions contemplated thereunder. Save and except for the aforesaid, none of the Directors has any material interest in the 2026-2028 Electricity and GECs Transaction Framework Agreement was required to abstain from voting on the Board resolution in relation to the 2026-2028 Electricity and GECs Transaction Framework Agreement and the transactions contemplated thereunder.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings as set out below:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“BEH”	Beijing Energy Holding Co., Ltd.* (北京能源集團有限責任公司), a company incorporated in the PRC with limited liability and a controlling shareholder of the Company holding 717,694,349 Shares, representing approximately 32.64% of the issued share capital of the Company (excluding treasury shares)
“BEH Group”	BEH and/or its associates, excluding the Group
“Board”	the board of Directors
“Company”	Beijing Energy International Holding Co., Ltd., a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 686)
“connected person(s)”	has the meanings ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meanings ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Green Electricity Certificates” or “GECs”	the certificates representing the environmental attributes of electricity generated from renewable energy sources in the PRC
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Parties”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China, which for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of HKD1.0 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

For and on behalf of
Beijing Energy International Holding Co., Ltd.
Li Yuhai
Chairman of the Board

Hong Kong, 28 February 2026

As at the date of this announcement, the executive director of the Company is Mr. Zhang Ping (Chief Executive Officer); the non-executive directors of the Company are Mr. Li Yuhai (Chairman), Mr. Lu Zhenwei, Mr. Liu Guoxi, Mr. Li Hao, Mr. Huang Jiao, Mr. Wang Cheng and Ms. Xie Yi; and the independent non-executive directors of the Company are Ms. Jin Xinbin, Mr. Zhu Jianbiao, Mr. Zeng Ming and Mr. Liu Jingwei.

* For identification purpose only