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*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01250)**

## **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2015**

### **HIGHLIGHTS**

- The Group reported revenue of approximately RMB90.2 million, representing an increase of approximately 1.7% as compared with the corresponding period last year.
- Gross profit for the six months ended 30 June 2015 was approximately RMB32 million, representing a decrease of approximately 7.6% as compared with the corresponding period last year.
- Gross profit margin for the six months ended 30 June 2015 was approximately 35.5%, representing a decrease of approximately 3.6% as compared with the corresponding period last year.
- Profit attributable to the shareholders of the Company was approximately RMB3.2 million, representing a decrease of approximately 80.6% as compared with the corresponding period last year.
- The Group diversified its business into the investment, development, construction, operation and management of photovoltaic power plants and photovoltaic power-related businesses during the period.
- The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2015.

## RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Beijing Enterprises Clean Energy Group Limited (the “**Company**”) is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2015 and the unaudited interim condensed consolidated statement of financial position of the Group as at 30 June 2015, together with comparative figures for the corresponding period in 2014, as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 June 2015*

		For the six months ended 30 June	
		2015	2014
		(Unaudited)	(Unaudited)
	NOTES	RMB'000	RMB'000
REVENUE	3	90,179	88,629
Cost of sales		<u>(58,165)</u>	<u>(53,998)</u>
Gross profit		32,014	34,631
Other income and gains		536	277
Selling and distribution expenses		(1,640)	(1,804)
Administrative expenses		<u>(20,607)</u>	<u>(8,204)</u>
PROFIT FROM OPERATING ACTIVITIES	4	10,303	24,900
Finance costs	5	<u>(763)</u>	<u>(800)</u>
Profit before tax		9,540	24,100
Income tax	6	<u>(6,376)</u>	<u>(7,807)</u>
PROFIT FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY		<u><u>3,164</u></u>	<u><u>16,293</u></u>
EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	8		
– Basic and diluted (RMB)		<u><u>0.05 cents</u></u>	<u><u>5.09 cents</u></u>

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2015

	For the six months ended 30 June	
	2015 (Unaudited) RMB'000	2014 (Unaudited) RMB'000
PROFIT FOR THE PERIOD	<u>3,164</u>	<u>16,293</u>
OTHER COMPREHENSIVE LOSS		
<i>Items to be reclassified to profit or loss in subsequent periods:</i>		
– Exchange differences on translation of foreign operations	<u>(812)</u>	<u>–</u>
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF INCOME TAX	<u>(812)</u>	<u>–</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	<u>2,352</u>	<u>16,293</u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2015

		30 June 2015 (Unaudited) RMB'000	31 December 2014 (Audited) RMB'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		56,079	56,515
Prepaid land premiums		17,379	17,586
Available-for-sale investment		20,000	20,000
Deposits for acquisition of property, plant and equipment		–	65
<b>Total non-current assets</b>		<b>93,458</b>	94,166
<b>Current assets</b>			
Inventories		16,490	27,698
Trade and bills receivables	9	78,831	66,199
Prepayments, deposits and other receivables		4,250	3,058
Pledged deposits		34,274	25,449
Cash and cash equivalents		934,994	101,370
<b>Total current assets</b>		<b>1,068,839</b>	223,774
<b>TOTAL ASSETS</b>		<b>1,162,297</b>	317,940
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to shareholders of the Company</b>			
Issued capital	10	13,793	2,550
Reserves		1,068,021	200,448
<b>TOTAL EQUITY</b>		<b>1,081,814</b>	202,998
<b>Non-current liabilities</b>			
Deferred tax liabilities		4,079	3,544
<b>Current liabilities</b>			
Trade and bills payables	11	67,649	75,400
Other payables and accruals		6,305	6,098
Income tax payables		2,450	5,900
Bank borrowings		–	24,000
<b>Total current liabilities</b>		<b>76,404</b>	111,398
<b>TOTAL LIABILITIES</b>		<b>80,483</b>	114,942
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,162,297</b>	317,940

## NOTES:

### 1.1 CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. During the six months ended 30 June 2015, the Group was principally engaged in the investment, development, construction, operation and management of photovoltaic power plants and photovoltaic power-related businesses and the design, printing and sale of cigarette packages in the People's Republic of China (the "PRC").

With effect from 5 March 2015, each of the issued and unissued shares of HK\$0.010 each in the share capital of the Company as at 5 March 2015 was subdivided into ten shares of HK\$0.001 each. Further details are disclosed in Note 10.

On 4 May 2015, the shareholders of the Company (the "Shareholders") approved the increase in the authorised share capital of the Company from HK\$20,000,000 to HK\$500,000,000 by way of creating additional ordinary shares (the "Ordinary Shares") and non-redeemable convertible preference shares (the "Convertible Preference Shares") of the Company. Further details are disclosed in Note 10.

On 6 May 2015, the Company completed the issuance of 14,136,452,910 Ordinary Shares at an issue price of HK\$0.079 each and 113,348,440 Convertible Preference Shares at an issue price of HK\$0.079 each through share subscriptions by various subscribers. Further details are disclosed in Note 10.

Following the passing of the special resolution at the annual general meeting of the Company held on 22 June 2015, the English name of the Company has been changed from "Jin Cai Holdings Company Limited" to "Beijing Enterprises Clean Energy Group Limited" and the Chinese name of the Company from "金彩控股有限公司" to "北控清潔能源集團有限公司" as its dual foreign name. The change of name was registered with the Registrar of Companies of Hong Kong on 23 July 2015.

### 1.2 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements for the six months ended 30 June 2015 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to The Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), including compliance with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The accounting policies and basis of preparation adopted in the preparation of these interim condensed financial statements are the same as those used in the annual financial statements for the year ended 31 December 2014 except for the change in functional currency adopted by the Company, and changes in accounting policies made thereafter in adopting the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA, which became effective for the first time for the current period's financial statements, as further detailed in note 1.3 below.

These interim condensed consolidated financial statements have not been audited, but have been reviewed by the Company's audit committee.

### 1.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

#### (a) Impact of new and revised HKFRSs

The Group has adopted the following revised HKFRSs for the first time for the current period's condensed financial statements.

Amendments to HKAS 19	<i>Defined Benefit Plans: Employee Contributions</i>
<i>Annual Improvements 2010-2012 Cycle</i>	Amendments to a number of HKFRSs
<i>Annual Improvements 2011-2013 Cycle</i>	Amendments to a number of HKFRSs

Other than as further explained below, the adoption of these revised HKFRSs has had no significant financial effect on these condensed financial statements and there have been no significant changes to the accounting policies applied in these condensed financial statements.

The *Annual Improvements to HKFRSs 2010-2012 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. These amendments do not have any significant financial impact on the Group. Details of the amendment most applicable to the Group are as follows:

*HKFRS 8 Operating Segments*: Clarifies that an entity must disclose the judgments made by management in applying the aggregation criteria in HKFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics used to assess whether the segments are similar. The amendments also clarify that a reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker.

#### (b) Change in functional currency of the Company

The Company changed its functional currency from Renminbi ("RMB") to Hong Kong dollar ("HK\$") during the period. The reason for the change in functional currency of the Company was after taking into consideration, inter alia, the share subscriptions on 6 May 2015 which was conducted in HK\$. The change in functional currency was prospectively applied.

## 2. OPERATING SEGMENT INFORMATION

For management purposes, the Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other operating segments.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit for the period attributable to shareholders of the Company, which is a measure of adjusted profit for the period attributable to shareholders of the Company. The adjusted profit for the period attributable to shareholders of the Company is measured consistently with the Group's profit attributable to shareholders of the Company except that head office and corporate income and expenses are excluded from such measurement.

In previous years, the Group was principally engaged in the design, printing and sale of cigarette packages in the PRC (the “Cigarette Packaging Business”). There was only one reportable segment for the Group for the six months ended 30 June 2014 and as at 31 December 2014. During the current period, the Group expanded into the business of investment, development, construction, operation and management of photovoltaic power plants and photovoltaic power-related businesses (the “Photovoltaic Power Business”) which is identified as another reportable segment.

For the six months ended 30 June 2015, the Group’s revenue of approximately RMB90.2 million and gross profit of approximately RMB32 million were solely contributed by the Cigarette Packaging Business as the Photovoltaic Power Business is at its initial development stage. Accordingly, in the opinion of the directors, the presentation of segment information by reportable segments would provide no additional useful information to the users of these financial statements.

As all of the Group’s revenue is derived from customers located in the PRC and all of the Group’s identifiable non-current assets are principally located in the PRC, no geographical segment information is presented.

### 3. REVENUE

Revenue, which is also the Group’s turnover, represents revenue generated from the Cigarette Packaging Business in the PRC.

### 4. PROFIT FROM OPERATING ACTIVITIES

The Group’s profit from operating activities is arrived at after charging:

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	2014
	<b>(Unaudited)</b>	(Unaudited)
	<b>RMB’000</b>	RMB’000
Depreciation of property, plant and equipment	<b>3,452</b>	3,231
Amortisation of prepaid land premiums	<b>207</b>	206
Cost of inventories sold	<b>57,153</b>	52,983
	<b><u>60,612</u></b>	<u>56,420</u>

### 5. FINANCE COSTS

Finance costs represent interest on bank loan for these reporting periods.

### 6. INCOME TAX

No provision for Hong Kong profits tax has been made for the six months ended 30 June 2015 as the Group did not generate any assessable profits arising in Hong Kong during the period (six months ended 30 June 2014: Nil).

The income tax provisions in respect of operations in Mainland China is calculated at the applicable tax rates on the estimated assessable profits for the period based on existing legislation, interpretations and practices in respect thereof.

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	2014
	<b>(Unaudited)</b>	(Unaudited)
	<b>RMB'000</b>	RMB'000
Current – Mainland China, PRC	<b>5,591</b>	6,801
Deferred	<b>785</b>	1,006
	<u>6,376</u>	<u>7,807</u>
Total tax expense for the period	<b><u>6,376</u></b>	<b><u>7,807</u></b>

## 7. INTERIM DISTRIBUTION

The Board does not recommend the payment of an interim dividend during the period ended 30 June 2015 (six months ended 30 June 2014: Nil). No final dividend was declared in the interim period for the six months ended 30 June 2015 and the aggregate amount of the final dividend declared in the six months ended 30 June 2014 was RMB15,168,000.

## 8. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The calculation of basic earnings per share is based on the profit attributable to shareholders of the Company and on the weighted average number of Ordinary Shares and Convertible Preference Shares in issue during the period.

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	2014
	<b>(Unaudited)</b>	(Unaudited)
<b>Earnings</b>		
Profit for the period attributable to shareholders of the Company used in the basic earnings per share calculation ( <i>RMB'000</i> )	<b><u>3,164</u></b>	<u>16,293</u>
<b>Number of Ordinary Shares and Convertible Preference Shares</b>		
Weighted average number of Ordinary Shares and Convertible Preference Shares in issue during the period, used in the basic earnings per share calculation	<b><u>6,606,347,380</u></b>	<u>320,000,000</u>

The weighted average number of Ordinary Shares and Convertible Preference Shares in issue during the period is adjusted for the share subdivision on 5 March 2015 (see Note 10), the issue of shares through the share subscriptions on 6 May 2015 (see Note 10) and the issue of Ordinary Shares upon conversion of Convertible Preference Shares on 9 June 2015 (see Note 10).

In respect of the diluted earnings per share amounts, no adjustments has been made to the basic earnings per share amounts presented for the current and prior periods, as there is no potential dilutive shares in issue during these periods.



## 9. TRADE AND BILLS RECEIVABLES

An aged analysis of the trade and bills receivables as at the end of the reporting period, based on the date of delivery of goods, which approximated the date on which revenue was recognised, is as follows:

	<b>30 June 2015 (Unaudited) RMB'000</b>	31 December 2014 (Audited) RMB'000
Within 3 months	<b>70,193</b>	62,880
3 to 6 months	<b>8,636</b>	3,319
7 to 12 months	<b>2</b>	–
	<b><u>78,831</u></b>	<b><u>66,199</u></b>

The Group generally allows credit period of 90 days to its trade customers. For certain major customers, the Group accepts settlement of trade receivables by bank bills with maturity period from 90 days to 180 days.

## 10. SHARE CAPITAL

	Ordinary Shares <i>Number of shares</i>	Convertible Preference Shares <i>Number of shares</i>	Total <i>Number of shares</i>	Amount (Unaudited) in original currency of <i>HK\$'000</i>	Amount (Unaudited) <i>RMB'000</i>
<b>Authorised:</b>					
At 1 January 2014, 30 June 2014 and 1 January 2015 (Ordinary Shares of HK\$0.01 each)	2,000,000,000	–	2,000,000,000	20,000	15,938
Share subdivision ( <i>Note a</i> )	18,000,000,000	–	18,000,000,000	–	–
Increase in share capital ( <i>Note b</i> )	<u>446,637,115,100</u>	<u>33,362,884,900</u>	<u>480,000,000,000</u>	<u>480,000</u>	<u>378,706</u>
At 30 June 2015 (Ordinary Shares of HK\$0.001 each and Convertible Preference Shares of HK\$0.001 each)	<u>466,637,115,100</u>	<u>33,362,884,900</u>	<u>500,000,000,000</u>	<u>500,000</u>	<u>394,644</u>
<b>Issued and fully paid:</b>					
At 1 January 2014, 30 June 2014 and 1 January 2015 (Ordinary Shares of HK\$0.01 each)	320,000,000	–	320,000,000	3,200	2,550
Share subdivision ( <i>Note a</i> )	2,880,000,000	–	2,880,000,000	–	–
Issue of shares through share subscription ( <i>Note c</i> )	14,136,452,910	113,348,440	14,249,801,350	14,250	11,243
Issue of shares upon conversion of Convertible Preference Shares ( <i>Note d</i> )	<u>4,675,980</u>	<u>(4,675,980)</u>	<u>–</u>	<u>–</u>	<u>–</u>
At 30 June 2015 (Ordinary Shares of HK\$0.001 each and Convertible Preference Shares of HK\$0.001 each)	<u>17,341,128,890</u>	<u>108,672,460</u>	<u>17,449,801,350</u>	<u>17,450</u>	<u>13,793</u>

*Notes:*

- (a) Pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 4 March 2015, each of the issued and unissued shares of HK\$0.010 each in the share capital of the Company was subdivided into ten shares of HK\$0.001 each with effect from 5 March 2015 (the “Share Subdivision”). As at the completion of the Share Subdivision, the authorised capital of the Company was HK\$20,000,000, divided into 20,000,000,000 Ordinary Shares of HK\$0.001 each, of which 3,200,000,000 Ordinary Shares were issued and fully paid or credited as fully paid.
- (b) Pursuant to an ordinary resolution passed at an extraordinary general meeting on 4 May 2015, the authorised share capital of the Company was increased from HK\$20,000,000 to HK\$500,000,000 by way of creating additional Ordinary Shares and Convertible Preference Shares, such that the authorised share capital of the Company shall comprise 466,637,115,100 Ordinary Shares of HK\$0.001 each and 33,362,884,900 Convertible Preference Shares of HK\$0.001 each.

The number of Ordinary Shares that holders of Convertible Preference Shares shall be entitled to upon conversion following a conversion event shall be the subscription price of each Convertible Preference Share multiplied by the number of the Convertible Preference Shares being converted, divided by HK\$0.079 (as adjusted in accordance with the conversion adjustment). The conversion is subject to the condition that the holders of the Convertible Preference Shares shall not exercise the conversion rights if upon the conversion, the percentage of the Ordinary Shares held by the public would drop below the minimum public float requirements under the Listing Rules applicable to the Company.

The holders of the Convertible Preference Shares are entitled to participate *pari passu* in any dividends payable to the holders of the Ordinary Shares on a *pro rata as-if-converted* basis. The holders of the Convertible Preference Shares shall rank prior to, for return of capital on liquidation, winding up or dissolution of the Company and shall rank *pari passu* with, for participation in the distribution of surplus assets of the Company, all other Ordinary Shares in the capital of the Company for the time being in issue.

The holders of the Convertible Preference Shares shall not be entitled to vote at general meetings of the Company unless a resolution is to be proposed at a general meeting for winding-up the Company or a resolution is to be proposed at a general meeting which if passed would vary, modify or abrogate the rights and privileges of the Convertible Preference Shares.

The Convertible Preference Shares are not listed on the Stock Exchange.

- (c) The Company and four subscribers (the “Subscribers”) entered into the principal Subscription Agreement on 9 December 2014, as supplemented by the First Supplemental Agreement on 29 December 2014 and the Second Supplemental Agreement on 31 January 2015 (collectively the “Subscription Agreements”).

The Subscribers had conditionally agreed to subscribe for, or procure subscribers to subscribe for, and the Company has conditionally agreed to allot and issue:

- (i) 14,136,452,910 Ordinary Shares and an aggregate of 113,348,440 Convertible Preference Shares at the completion date of 6 May 2015 (the “Completion Date”);
- (ii) an aggregate of 9,499,867,560 Convertible Preference Shares on the 183rd day after the Completion Date;
- (iii) an aggregate of 9,499,867,560 Convertible Preference Shares on the first anniversary of the Completion Date;
- (iv) an aggregate of 9,499,867,560 Convertible Preference Shares on the 183rd day after the first anniversary of the Completion Date; and

- (v) an aggregate of 4,749,933,780 Convertible Preference Shares on the second anniversary of the Completion Date.

The par value of each of the Ordinary Shares and the Convertible Preference Shares is HK\$0.001 and the issue price of each of the Ordinary Shares and the Convertible Preference Shares is HK\$0.079.

The subscription of 14,136,452,910 Ordinary Shares and 113,348,440 Convertible Preference Shares was completed on 6 May 2015 and the net proceeds of approximately HK\$1,110.9 million were received. Pursuant to the Subscription Agreements, the consideration for the Convertible Preference Shares will be payable on the date of issue of the relevant Convertible Preference Shares.

- (d) On 9 June 2015, 4,675,980 Convertible Preference Shares were converted into 4,675,980 Ordinary Shares by the holders of the Convertible Preference Shares.

## 11. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	<b>30 June 2015 (Unaudited) RMB'000</b>	31 December 2014 (Audited) RMB'000
Within 3 months	<b>39,761</b>	52,176
4 to 6 months	<b>27,679</b>	17,458
7 months to 1 years	–	5,407
1 to 2 years	<b>209</b>	359
	<b>67,649</b>	75,400

The average credit period on purchases of goods is 90 days.

## 12. COMMITMENTS

- (a) The Group had the following capital commitments as at the end of the reporting period:

	<b>30 June 2015 (Unaudited) RMB'000</b>	31 December 2014 (Audited) RMB'000
Purchase of property, plant and equipment: contracted but not provided for	–	65

- (b) The Group had the following other commitments as at the end of the reporting period:

	<b>30 June 2015 (Unaudited) RMB'000</b>	31 December 2014 (Audited) RMB'000
Purchase of materials: contracted but not provided for	<b>12,000</b>	–

# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. BUSINESS REVIEW

During the period under review, the Group diversified its single line of business in the Cigarette Packaging Business to the Photovoltaic Power Business. On 6 May 2015, the Company raised approximately HK\$1,110.9 million in net proceeds by issuing 14,136,452,910 Ordinary Shares and 113,348,440 Convertible Preference Shares through share subscriptions (the “Share Subscriptions”). The Company will apply the net proceeds to pursue investment opportunities for the Photovoltaic Power Business. During the period, the Company changed its name such that it would be in line with the strategic expansion of the Company into the Photovoltaic Power Business, which will be one of the core focuses of the Group in coming years.

For the six months ended 30 June 2015, the Group achieved a profit attributable to the Shareholders of approximately RMB3.2 million, representing a decrease of approximately 80.6% when compared with the corresponding period last year. The decrease is mainly attributable to the decrease in gross profit margin from the Cigarette Packaging Business, the increase in expenses as a result of the development of the Photovoltaic Power Business, the increase in staff cost and other administrative expenses.

### **Photovoltaic Power Business**

The Group has entered into several memorandum of understanding and framework agreements with various local partners in the PRC for the development of photovoltaic power projects in different regions of the PRC. The Group has commenced the construction of the 50MW photovoltaic power plant, phase one of the project, in Yuxian, Hebei.

The Group plans to develop photovoltaic power plants and facilities with an aggregate installed capacity of 500MW over the course of 2015.

### **Cigarette Packaging Business**

Products of the Group in the Cigarette Packaging Business mainly consist of paper cigarette packages for three cigarette brands. The products are primarily sold to provincial tobacco industrial companies (省級中煙工業公司) which are state-owned cigarette manufacturers in the PRC. Cigarette Packaging Business remained stable when compared with the same period in 2014. For the six months ended 30 June 2015, the Group’s revenue increased by approximately 1.7% to approximately RMB90.2 million.

## **2. FINANCIAL PERFORMANCE**

### **Segmental Information, Revenue and Gross Profit Margin**

In previous years, the Group was principally engaged in the Cigarette Packaging Business. There was only one reportable segment for the Group for the six months ended 30 June 2014 and as at 31 December 2014. During the current period, the Group has expanded into the Photovoltaic Power Business which is identified as another reportable segment.

For the six months ended 30 June 2015, the Group's revenue of approximately RMB90.2 million and gross profit of approximately RMB32 million were solely contributed by the Cigarette Packaging Business, as the Photovoltaic Power Business is at its initial development stage. The Group's revenue experienced a slight increase of approximately 1.7% when compared with the corresponding period last year because of the increase in orders for cigarette packages placed during the period. Gross profit margin was approximately 35.5%, representing a decrease of approximately 3.6% when compared with the corresponding period last year because of keen price competition and increase in staff costs.

### **Other income and gains**

Other income and gains of the Group mainly comprise interest income and government grants. Other income and gains of the Group increased by approximately RMB259,000 when compared with the corresponding period last year, which was primarily attributable to a government grant of RMB240,000 obtained by the Group during the six months ended 30 June 2015. No such government grant was received by the Group in the corresponding period last year.

### **Selling and distribution expenses**

Selling and distribution expenses of the Group mainly comprise delivery expenses, staff costs and travelling expenses. Selling and distribution expenses of the Group decreased by approximately RMB164,000 when compared with the corresponding period last year. This was mainly attributable to the decrease in delivery expenses and travelling expenses.

### **Administrative expenses**

Administrative expenses of the Group increased by approximately RMB12.4 million when compared with the corresponding period last year. The increase was mainly attributable to increase in expenses as a result of the development of the Photovoltaic Power Business and increase in staff costs and other administrative expenses.

## **Finance costs**

Finance costs of the Group decreased by approximately RMB37,000 when compared with the corresponding period last year. The decrease was due to decrease in the average balances of bank borrowings of the Group during the period.

## **Income tax**

The income tax of the Group decreased by approximately RMB1.4 million when compared with the corresponding period last year. The decrease in income tax of the Group was mainly due to the decrease in taxable profit from the Cigarette Packaging Business.

### **3. LIQUIDITY AND FINANCIAL RESOURCES**

The Group recorded net current assets of approximately RMB992.4 million as at 30 June 2015, compared with net current assets of approximately RMB112.4 million as at 31 December 2014. The increase in net current assets was primarily due to increase in cash and cash equivalents.

As at 30 June 2015, the cash and cash equivalents of the Group amounted to approximately RMB935 million which are denominated in Hong Kong Dollars (“HK\$”), United States dollar (“US\$”) and Renminbi (“RMB”), compared with approximately RMB101.4 million as at 31 December 2014. The increase was mainly due to cash inflow from the net proceeds of approximately HK\$1,110.9 million received from the issuance of Ordinary Shares and Convertible Preference Shares through the Share Subscriptions.

As at 30 June 2015, the liquidity ratio of the Group, represented by a ratio of current assets over current liabilities, was approximately 14:1 (as at 31 December 2014: approximately 2:1), reflecting a healthy liquidity position of the Company.

The Group’s operations have been principally financed by internal resources and bank borrowings. During the period under review, the Group repaid all of its bank borrowings. As at 30 June 2015, the Group did not have any outstanding borrowings and long-term debts, whereas as at 31 December 2014, the Group had outstanding borrowings and long term debts in an aggregate amount of approximately RMB24 million. As at 30 June 2015, the Group did not have any unutilised banking facilities because all the banking facilities have expired during the period, whereas as at 31 December 2014, the Group had unutilised banking facilities in an aggregate amount of approximately RMB35.3 million.

The Group’s gearing ratio, derived by dividing total bank borrowings by the sum of total bank borrowings and total equity at the end of the year/period and multiplied by 100%, decreased from approximately 10.6% as at 31 December 2014 to nil as at 30 June 2015.

Development of the Photovoltaic Power Business requires material investments, which the Group plans to fund by means of internal resources of the Group (mainly from the net proceeds received from the issuance of shares as detailed in the paragraph headed “Share Subscriptions” under the section “Capital Structure” below) and debt financing.

#### **4. CAPITAL STRUCTURE**

##### **Share subdivision**

Pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 4 March 2015, each of the issued and unissued shares of HK\$0.010 each in the share capital of the Company was subdivided into ten shares of HK\$0.001 each with effect from 5 March 2015 (the “Share Subdivision”). As at the completion of the Share Subdivision, the authorised capital of the Company was HK\$20,000,000, divided into 20,000,000,000 Ordinary Shares of HK\$0.001 each, of which 3,200,000,000 Ordinary Shares were issued and fully paid or credited as fully paid.

##### **Increases in authorised share capital**

Pursuant to an ordinary resolution passed at an extraordinary general meeting of the Company held on 4 May 2015, the authorised share capital of the Company was increased from HK\$20,000,000 to HK\$500,000,000 by way of creating additional Ordinary Shares and Convertible Preference Shares, such that the authorised share capital of the Company shall comprise 466,637,115,100 Ordinary Shares of HK\$0.001 each and 33,362,884,900 Convertible Preference Shares of HK\$0.001 each.

The number of Ordinary Shares that holders of Convertible Preference Shares shall be entitled to upon conversion following a conversion event shall be the subscription price of each Convertible Preference Shares multiplied by the number of the Convertible Preference Shares being converted, divided by HK\$0.079 (as adjusted in accordance with the conversion adjustment). The conversion is subject to the condition that the holders of the Convertible Preference Shares shall not exercise the conversion right if upon the conversion, the percentage of Ordinary Shares held by the public would drop below the minimum public float requirements under the Listing Rules applicable to the Company.

The holders of Convertible Preference Shares are entitled to participate *pari passu* in any dividends payable to the holders of the Ordinary Shares on a *pro rata as-if-converted* basis. The holders of Convertible Preference Shares shall rank prior to, for return of capital on liquidation, winding up or dissolution of the Company and shall rank *pari passu* with, for participation in the distribution of surplus assets of the Company, all other Ordinary Shares in the capital of the Company for the time being in issue.

The holders of the Convertible Preference Shares shall not be entitled to vote at general meetings of the Company unless a resolution is to be proposed at a general meeting for the winding-up of the Company or a resolution is to be proposed at a general meeting which if passed would vary, modify or abrogate the rights and privileges of the Convertible Preference Shares.

The Convertible Preference Shares are not listed on the Stock Exchange.

### **Share Subscriptions**

The Company and four subscribers (the “Subscribers”) entered into the principal Subscription Agreement on 9 December 2014, as supplemented by the First Supplemental Agreement on 29 December 2014 and the Second Supplemental Agreement on 31 January 2015 (collectively the “Subscription Agreements”).

The Subscribers had conditionally agreed to subscribe for, or procure subscribers to subscribe for, and the Company has conditionally agreed to allot and issue:

- (i) 14,136,452,910 Ordinary Shares and an aggregate of 113,348,440 Convertible Preference Shares at the completion date of 6 May 2015 (the “Completion Date”);
- (ii) an aggregate of 9,499,867,560 Convertible Preference Shares on the 183rd day after the Completion Date;
- (iii) an aggregate of 9,499,867,560 Convertible Preference Shares on the first anniversary of the Completion Date;
- (iv) an aggregate of 9,499,867,560 Convertible Preference Shares on the 183rd day after the first anniversary of the Completion Date; and
- (v) an aggregate of 4,749,933,780 Convertible Preference Shares on the second anniversary of the Completion Date.

The par value of each of the Ordinary Shares and the Convertible Preference Shares is HK\$0.001 and the issue price of each of the Ordinary Shares and the Convertible Preference Shares is HK\$0.079.

### **Conversion of Convertible Preference Shares**

On 9 June 2015, 4,675,980 Convertible Preference Shares were converted into 4,675,980 Ordinary Shares by holders of the Convertible Preference Shares.



## **FUTURE OUTLOOK**

On 6 May 2015, the Company completed the issue of new shares and raised approximately HK\$1.1 billion in net proceeds for the development of photovoltaic power plants in the PRC. Investors with strong presence in the PRC were introduced to the Company as strategic investors, and such investors include Beijing Enterprises Water Group Limited (“BEWG”) (Stock Code: 0371), the flagship company of Beijing Enterprises Holdings Limited (“BEHL”) (Stock Code: 0392) operating in the water service industry, which has become the largest controlling shareholder of the Company, and private equity funds managed by CITIC Private Equity Funds Management Co., Ltd (“Citic PE Funds”), which have become the second largest controlling shareholder of the Company. In addition to the initial capital raised on 6 May 2015, BEWG and Citic PE Funds, together with other investors, have agreed to contribute additional capital of approximately HK\$2.6 billion for the development of the Photovoltaic Power Business through a series of share subscriptions in the share capital of the Company over the course of the next two years. During the period, the name of the Company was changed to reflect the strategic expansion of the Company’s business into the Photovoltaic Power Business, which is one of the core focuses of the Group in the coming years.

The Group has established a first-class professional technical team to develop its Photovoltaic Power Business. Core members of the technical team have worked for a renowned photovoltaic power generation company and have extensive relevant experiences. They possess strong capabilities in the areas of development, investment, construction and operation of photovoltaic power plants and have developed more than 30 photovoltaic power plants with an aggregate installed capacity of 700MW.

Given the capital strength of the Company and strong capabilities of the members of its technical team, projects undertaken by the Group are developed on its own or jointly developed with other parties or that other existing photovoltaic power plants are acquired or to be acquired by the Group. The Group plans to develop photovoltaic power generation business in different regions of the PRC, covering Shandong, Inner Mongolia, Hebei, Henan, Shanxi, Yunnan, Tibet and Guangxi. As at the date of this announcement, the Group has entered into regional framework agreements with a number of municipal or district governments, and strategic cooperation agreements with a group of companies within the industry. The construction of the 50MW photovoltaic power plant, phase one of the project, in Yuxian, Hebei, which is to be solely developed by the Group, has commenced. The Group intends to develop photovoltaic power plants with an aggregate installed capacity of approximately 500MW in 2015.

2015 will be a pivotal year for the Group. The strategic expansion into the Photovoltaic Power Business has enabled further business growth opportunities for the Group. The Group is optimistic about its rapid development in the photovoltaic power market, and will strive to strengthen its capabilities in this industry, expand its business, maximise shareholders value and, at the same time, dedicate itself to environmental sustainability by offering clean energy and contribute to the widespread use of renewable energy in the PRC.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 30 June 2015, the Group employed 343 employees (as compared with 292 employees as at 30 June 2014) with total staff cost of approximately RMB16.6 million incurred for the six months ended 30 June 2015 (as compared with approximately RMB9.7 million for the same period of 2014). The Group's remuneration packages are generally structured with reference to market terms and individual merits. The Company has also adopted a share option scheme as incentives to the Directors and eligible employees. From the adoption date of the share option scheme on 11 June 2013 to 30 June 2015, no share option was granted, exercised, cancelled or lapsed, and there was no outstanding option under the share option scheme of the Company as at 30 June 2015.

## **CHARGE ON THE GROUP'S ASSETS**

As at 30 June 2015, the Group had pledged deposits of approximately RMB34.3 million (as at 31 December 2014: approximately RMB25.4 million) to a bank in the PRC to secure bank borrowings and bills issued under banking facilities granted to the Group.

## **CONTINGENT LIABILITIES**

As at 30 June 2015, the Group did not have any significant contingent liabilities (as at 31 December 2014: Nil).

## **FOREIGN EXCHANGE EXPOSURE**

Majority of the subsidiaries of the Company operate in the PRC, with most of the transactions denominated and settled in RMB. As at 30 June 2015, the Group has not used any derivative financial instruments to hedge its foreign currency risk.

## **SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES**

There were no significant investments, material acquisition and disposal of subsidiaries and associated companies by the Group for the six months ended 30 June 2015.

## **PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Other than as disclosed in the section headed "Capital Structure" above, during the six months ended 30 June 2015, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

## **CHANGE OF COMPANY NAME**

Following the passing of the special resolution at the annual general meeting of the Company held on 22 June 2015, the English name of the Company has been changed from “Jin Cai Holdings Company Limited” to “Beijing Enterprises Clean Energy Group Limited” and the Chinese name of the Company from “金彩控股有限公司” to “北控清潔能源集團有限公司” as its dual foreign name.

The Certificate of Registration of Alteration of Company Name of Registered Non-Hong Kong Company was issued by the Companies Registry in Hong Kong on 23 July 2015 confirming the registration of the Company’s new English and Chinese names of “Beijing Enterprises Clean Energy Group Limited” and “北控清潔能源集團有限公司” respectively in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

## **INTERIM DISTRIBUTION**

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2015.

## **CORPORATE GOVERNANCE CODE**

Throughout the six months ended 30 June 2015, the Company has complied with all the applicable code provisions of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules (the “**Model Code**”) as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all of the Directors, the Company confirms that, during the six months ended 30 June 2015, all of the Directors have complied with the required standard set out in the Model Code.

## **AUDIT COMMITTEE**

The audit committee of the Company (“**Audit Committee**”) comprises three independent non-executive directors of the Company, namely Mr. Tam Tak Kei Raymond (the chairman of the Audit Committee), Professor Lam Sing Kwong Simon and Mr. Xu Honghua. In accordance with Appendix 14 of the Listing Rules, the Audit Committee is primarily responsible for reviewing and providing supervision over the financial reporting procedure and internal controls of the Company. The unaudited interim results for the six months ended 30 June 2015 have been reviewed and approved by the Audit Committee. The Audit Committee considers that appropriate accounting policies have been adopted, and the applicable requirements of the Listing Rules have been complied with, in the preparation of relevant results, and sufficient disclosures have been made.

## **PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT**

This announcement is published on the Company's website (www.bece.com.hk) and the website of the Stock Exchange (www.hkexnews.hk). The 2015 interim report will be dispatched to Shareholders in September 2015 and will be published on the websites of the Company and the Stock Exchange, respectively, in due course.

## **APPRECIATION**

The Board would like to express its sincere thanks to all the employees of the Group for their continuous support and dedicated service.

By order of the Board  
**Beijing Enterprises Clean Energy Group Limited**  
**Mr. Hu Xiaoyong**  
*Chairman*

Hong Kong, 26 August 2015

*As at the date of this announcement, the Board comprises eight Directors, namely Mr. Hu Xiaoyong, Mr. Shi Xiaobei, Mr. Liang Yongfeng, Mr. Han Songbai and Ms. Huang Li as executive directors of the Company; and Mr. Tam Tak Kei Raymond, Professor Lam Sing Kwong Simon and Mr. Xu Honghua as independent non-executive directors of the Company.*