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

INSIDE INFORMATION PRELIMINARY FINANCIAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2018

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Beijing Enterprises Clean Energy Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Group principally focuses on the clean development and use of energy, and continuously explores on various clean energy areas including photovoltaic power, wind power, clean heat supply, energy storage, geothermal energy, etc. with an aim to become a leading integrated clean energy service provider. As disclosed in the Company’s interim report for the six months ended 30 June 2018 (the “**Interim 2018**”), as a result of the change in the Group’s revenue structure and business focus, revenue from construction services decreased while revenue from other business sectors (including sales of electricity and clean heat supply) increased during the Interim 2018 as compared to the corresponding period of 2017, resulting in increases in the Group’s gross profit ratio of approximately 11% and the Group’s gross profit during the Interim 2018 as compared to the corresponding period of 2017. In the second half of 2018, the Group continues to accommodate the industry policies and adjust its business structure by facilitating the development of businesses with higher gross profit ratio and stronger sustainability (such as sales of electricity and clean heat supply), improving the quality of existing projects and reducing the focus on construction services business which has a lower gross profit ratio.

The Board wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary review (the “**Preliminary Review**”) of the unaudited consolidated management accounts of the Group for the year ended 31 December 2018 (“**Year 2018**”), as a result of the aforementioned change of business structure, it is expected that there will be a decrease of between 25% and 35% in the Group’s revenue for Year 2018 as compared to 2017. Nevertheless, it is expected that there will be an increase in the Group’s gross profit for Year 2018 as compared to 2017.

Besides, based on the Preliminary Review, it is expected that there will be a decrease of not less than 15% and not more than 25% in the Group's consolidated net profit attributable to equity holders of the Company for Year 2018 as compared to 2017. Based on the information currently available, the Directors consider that such decrease is primarily attributable to the increases in (i) administrative expenses for business structure adjustment and new business projects; and (ii) finance costs attributable to the increases in average total balances of bank and other borrowings and finance lease payables during Year 2018 as compared to 2017. The Company expects, following the change of business structure, the commencement of operation of new business projects and the continuing improvement of quality of existing projects, there will be further improvement on the Group's sustainable development, which is constructive to the Group's build-up of a more solid foundation achieving its aim at becoming a leading integrated clean energy service provider.

The Company is still in the process of finalising the Group's annual results for Year 2018. The information contained in this announcement is only based on the preliminary assessment by the Board on the information currently available to the Company, and is not based on any figures or information that have been audited or reviewed by the Company's auditors, and may be subject to amendments. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for Year 2018 which is expected to be published by the end of March 2019.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Beijing Enterprises Clean Energy Group Limited
Hu Xiaoyong
Chairman

Hong Kong, 25 January 2019

As at the date of this announcement, the Board comprises eight Directors, namely Mr. Hu Xiaoyong, Mr. Shi Xiaobei, Mr. Huang Weihua, Mr. Wang Ye and Mr. Wen Hui as executive Directors; and Mr. Li Fujun, Mr. Xu Honghua and Mr. Chiu Kung Chik as independent non-executive Directors.