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

**(Stock Code: 01250)**

## **PROFIT WARNING**

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 (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary review of the unaudited consolidated management accounts for the year ended 31 December 2021 (the “**Year**”), the profit attributable to the equity holders of the Company of the Group for the year ended 31 December 2021 is expected to record a decrease as compared with the corresponding period of last year, the profit attributable to the equity holders of the Company is expected to be not less than HK\$200 million and not more than HK\$300 million. The expected decrease is mainly due to the following reasons: (i) the recognition of the impairments for the Group’s fixed assets (i.e. property, plant and equipment) (the “**Impairment**”). During the Year, based on the principle of prudence, the Company has performed relevant impairment test for the fixed assets of the Group’s projects with impairment indicator(s), in order to reflect the financial position and the operating performance of the Group in an objective and fair manner. Due to the unexpected performance changes in individual projects, resulting in impairment indication(s) for the fixed assets from the respective projects (the “**Fixed Assets**”). The impairments for the Fixed Assets shall be made based on the results of the impairment test. The Group has engaged independent valuer(s) to assess the recoverable amounts of the Fixed Assets. As the carrying amount of the Fixed Assets exceeds its recoverable amount,

the Company intends to make impairment based on its difference accordingly during the Year (compared to nil impairment in the year ended 31 December 2020). Furthermore, such impairment is only a one-off and non-cash item during the Year and is still subject to confirmation and audit; and (ii) the Group has previously obtained several rounds of capital contributions from certain strategic investors, accordingly, the increase of interest on options granted to non-controlling interests recognised during the Year resulting the increase in finance cost and deemed as one-off nature.

Excluding the financial impacts from the above two one-off reasons, the Group expects that the operating performance (i.e. revenue and total gross profit) for the Year was slightly increased as compared with the corresponding period of last year. In addition, according to the Company's preliminary statistics currently available, the power generation of the Group on a consolidated basis for the Year increased as compared with the corresponding period of 2020, and the total gross profit of the power generation business increased as compared with the corresponding period of last year accordingly, thus it can be seen that the Group continues to maintain a steady development for its principal businesses.

The Company is still in the process of finalising the Group's annual results for the Year. 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 the Year which is expected to be published by the end of March 2022.

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

By Order of the Board  
**Beijing Enterprises Clean Energy Group Limited**  
**Zhang Tiefu and Hu Xiaoyong**  
*Joint Chairmen*

Hong Kong, 27 January 2022

*As at the date of this announcement, the Board comprises nine Directors, namely Mr. Zhang Tiefu, Mr. Hu Xiaoyong, Mr. Yang Guang, Mr. Shi Xiaobei, Mr. Tan Zaixing and Ms. Huang Danxia as executive Directors; and Mr. Li Fujun, Mr. Xu Honghua and Mr. Chiu Kung Chik as independent non-executive Directors.*