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

**(Stock Code: 01250)**

## **DISCLOSEABLE TRANSACTION IN RELATION TO SUBSCRIPTION OF THE TRUST SCHEME**

### **ENTERING INTO THE TRUST CONTRACT**

The Board announces that on 30 April 2024, Beiqing Smart (an indirect wholly-owned subsidiary of the Company, as the subordinate entrustor and subordinate beneficiary), entered into the Trust Contract with Industrial Bank (as the superior entrustor and superior beneficiary) and Northern International Trust (as the trustee). Pursuant to the Trust Contract, Beiqing Smart and Industrial Bank agreed to subscribe for the trust units at a consideration of RMB670 million and RMB1 billion respectively.

### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction under the Trust Contract exceeds 5% but is less than 25%, the transaction under the Trust Contract constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

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## THE TRUST CONTRACT

The major terms of the Trust Contract are as follows:

- Date** : 30 April 2024
- Parties** : (a) Beiqing Smart (as the subordinate entrustor and subordinate beneficiary);
- (b) Industrial Bank (as the superior entrustor and superior beneficiary); and
- (c) Northern International Trust (as the trustee)
- Custodian** : The funds of the Trust Scheme are subject to custody. The trustee entrusted Industrial Bank Beijing Branch to serve as the custodian.
- Size of the Trust Scheme** : The Trust Scheme of closed-end collective funds had a size of RMB1.67 billion, of which (a) the size of superior trust units is RMB1 billion, to be subscribed for by Industrial Bank; and (b) the size of subordinate trust units is RMB670 million, to be subscribed for by Beiqing Smart.

Industrial Bank and Beiqing Smart shall transfer the subscription funds from their own bank accounts opened in banks in the PRC to the special trust account of the Trust Scheme.

**Term and termination of the Trust Scheme** : There is no fixed term set from the date of establishment of the Trust Scheme. Any entrustor or beneficiary shall not unilaterally terminate the Trust Scheme without the written consent of the trustee. The Trust Scheme shall be terminated in the following circumstances:

- (a) The beneficiaries at a meeting/all beneficiaries by writing decide to terminate the Trust Scheme.
- (b) During the term of the Trust Scheme, the trustee's duties are terminated because of (1) its revocation or bankruptcy in accordance with law; (2) its dissolution or loss of legal qualification in accordance with law; (3) its resignation or dismissal; or (4) the failure to select a new trustee as stipulated in the Trust Contract following the original trustee's termination under other circumstances as provided for by law.
- (c) The existence of the Trust Scheme violates the purpose of the Trust Scheme.
- (d) All beneficiaries give up their trust beneficiary rights in writing.
- (e) On the day on which the Trust Scheme completes the distribution of trust benefits and the Trust Scheme no longer has any cash or non-cash assets.
- (f) Other circumstances stipulated by law or agreed in the Trust Contract.

**Investment direction of the Trust Scheme** : To invest in wind power, photovoltaic and other new energy fields by granting trust loans: the total assets of the invested project companies should be no less than RMB35 billion, the gearing ratio should be no higher than 67%, the entity rating should be AA+ (inclusive) or above, and should be registered in the PRC, details of which are subject to the decision of the investment decision committee.

**Investment decision committee** : The member entities of investment decision committee consist of superior entrustor and subordinate entrustor. There are three seats on the committee, with one for the superior entrustor and two for the subordinate entrustor.

The matters to be considered by the investment decision committee include: the method of management and utilization of the assets under the Trust Scheme, which refers to the investment target, investment method, use of funds, amount of funds, investment timing, investment period; the distribution proposal of trust profits.

Decisions made by the investment decision committee on matters under consideration shall be approved by the member entities of the investment decision committee holding more than half (inclusive) of the seats and affixed with the seal of member entities. However, matters such as adjustment to the method of management and utilization of the assets under the Trust Scheme, or adjustment to the distribution proposal of Trust Scheme benefits, shall be approved by all member entities of the investment decision committee.

Changes in member entity of the investment decision committee require a unanimous written decision from all beneficiaries.

**Trust remuneration** : The trustee provides services to the Trust Scheme and receives trust remuneration. The trust remuneration is a fixed trust remuneration with an annual rate of 0.25%. The calculation method is the balance of trust funds under the trust units (i.e. the balance of total trust funds delivered by the trust units after deducting the distributed trust benefits equivalent to the principal of trust funds)  $\times$  annual rate of trust remuneration  $\times$  the actual existence days of trust units in the current period  $\div$  360. The trust remuneration is distributed on the distribution date of trust benefits in the current period; the final installment of trust remuneration is distributed on the termination date of the Trust Scheme.

- Asset custody service fees** : The custodian provides asset custody services for the Trust Scheme and receives asset custody service fees with an annual rate of 0.3%. The calculation method is the balance of trust funds under the trust units  $\times$  the annual rate of asset custody service fees  $\times$  the actual existence days of trust units in the current period  $\div$  360. The asset custody service fees shall be distributed on the distribution date of trust benefits in the current period; the final installment of asset custody service fees shall be distributed on the termination date of the Trust Scheme.
- Trust management fees** : Trust management fees include the upfront expenses incurred for the establishment of the Trust Scheme, the expenses incurred in the establishment and management of the Trust Scheme, the expenses incurred to protect and realize the rights of assets under the Trust Scheme, the liquidation expenses when the Trust Scheme is terminated and other expenses that should be borne by the assets under the Trust Scheme. The trust management fees shall be borne by the assets under the Trust Scheme and deducted from the special asset account of the Trust Scheme.
- Calculation and distribution of trust benefits** : (a) **Accounting date of trust benefits**
- (i) Natural quarterly accounting date, which refers to 20 March, 20 June, 20 September and 20 December of each year;
  - (ii) The expected termination date of trust units and the termination date of the Trust Scheme;
  - (iii) Temporary accounting date, being the date on which the trustee decides to temporarily distribute trust benefits during the existence of the Trust Scheme based on the distribution decision of the investment decision committee and the assets of the Trust Scheme available for distribution in the current period.

**(b) Distribution date of trust benefits**

The trustee distributes the trust benefits up to the corresponding accounting date (inclusive) to beneficiaries on each distribution date of trust benefits. The distribution date of trust benefits corresponding to the natural quarterly accounting date is the first working day following the accounting date of trust benefits. The distribution date of trust benefits corresponding to the expected termination date of trust units, the termination date of the Trust Scheme and the temporary accounting date shall be the accounting date then.

The trust benefits expected to be distributed to all beneficiaries on the natural quarterly accounting date are the trust unit income in the current period; the trust benefits expected to be distributed to all beneficiaries on the expected termination date of trust units and the termination date of the Trust Scheme are all of the trust unit income; the trust benefits expected to be distributed to all beneficiaries on the temporary accounting date are the trust benefits to be resolved by the investment decision committee for distribution.

**(c) The formula for calculating the expected trust benefits of each beneficiary**

On the natural quarterly accounting date, the trust benefits expected to be distributed to the superior beneficiary are: the sum of the principal of trust units held by the beneficiary  $\times$  the performance comparison benchmark of trust units (4.22%/year)  $\times$  the actual existence days of trust units in the current period  $\div$  360 + the undistributed trust benefits of trust units accounted for on the previous distribution date.

On the expected termination date of trust units or the termination date of the Trust Scheme, the trust benefits of the current period expected to be distributed to the superior beneficiary are: the sum of the principal of trust units held by the beneficiary  $\times$  the performance comparison benchmark of trust units (4.22%/year)  $\times$  the actual existence days of trust units in the current period  $\div$  360 + the sum of the principal of trust units held by the beneficiary + the undistributed trust benefits of trust units accounted for on the previous distribution date.

On the temporary accounting date, the trust benefits expected to be distributed to the superior beneficiary in the current period are: the principal amount of the superior trust units corresponding to the assets of the Trust Scheme to be distributed in the current period (i.e. the trust investment principal recovered by the Trust Scheme in the current period)  $\times$  the performance comparison benchmark of trust units (4.22%/year)  $\times$  the actual existence days of trust units in the current period  $\div$  360 + the principal amount of the trust units corresponding to the assets of the Trust Scheme to be distributed in the current period (i.e. the trust investment principal recovered by the Trust Scheme in the current period) + the undistributed trust benefits of trust units accounted for on the previous distribution date.

**(d) Order of distribution of trust benefits**

The expected superior trust benefits that should be distributed but have not been distributed in the previous period and the expected trust benefits of the superior beneficiary in the current period shall be distributed first. The trust benefits of the subordinate beneficiary shall not be distributed until the principal of all trust units held by the superior beneficiary and the expected trust income have been fully distributed and the default amount has been recovered and distributed.

## **INFORMATION OF THE PARTIES**

### **The Company and the Group**

The Company 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 the Company is investment holding. The 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.

### **Beiqing Smart**

Beiqing Smart is a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement, which is principally engaged in the investment and development of photovoltaic power businesses and wind power businesses in the PRC.

### **Industrial Bank**

Industrial Bank is a joint stock company incorporated in the PRC with limited liability and the A shares of which are listed on the Shanghai Stock Exchange (Stock code: 601166), and is mainly engaged in commercial bank services, its main business scope includes: deposits taking; provision of short-, medium- and long-term loans; domestic and international settlement; bills acceptance and discounting; issue of financial bonds; agency issue, cashing and underwriting of government bonds; trading of government bonds and financial bonds; agency issue of negotiable securities except stock; trading and agency trading of negotiable securities except stock; asset custody; inter-bank borrowing and lending; trading or agency trading of foreign exchange; settlement and sales of foreign exchange; bank card business; L/C services and guarantee; agency collections and payments and agency insurance; safe-box services, financial consulting, credit investigation, consulting, witness business and other banking activities approved by the regulatory authorities; concurrent insurance agency business; import and export of gold and its products; sales of public offering securities investment funds; and custody of securities investment funds.



## **Northern International Trust**

Northern International Trust is a joint stock company incorporated in the PRC with limited liability. Its scope of business includes: trust of funds; trust of movable properties; trust of immovable properties; trust of marketable securities; trust of other properties or property rights; conducting investment fund business as a promoter of investment funds or fund management companies; reorganization, merger and acquisition of corporate assets, and project financing, corporate wealth management and financial advisory business; trustee for underwriting business of securities approved by the relevant authority of the State Council; engaging in intermediary, consulting and credit investigation business; custodian and safe deposit box business; utilization of inherent properties by way of deposits in financial institutions, lending to financial institutions, loans, leasing and investments; providing guarantees with inherent properties; engaging in interbank lending.

As at the date of this announcement, Northern International Trust is directly owned as to approximately 32.33% and 25.43% by Tianjin TEDA Investment Holding Co., Ltd.\* (天津泰達投資控股有限公司) and Tianjin Bohai Culture Industry Investment Co., Ltd.\* (天津渤海文化產業投資有限公司) respectively, both of which are ultimately owned as to 100% by the State-owned Assets Supervision and Administration Commission of Tianjin People's Government\* (天津市人民政府國有資產監督管理委員會), and the remaining equity interest is owned by the remaining 22 shareholders, each of whose equity interest ranges from approximately 0.02% to 5.43%.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the date of this announcement, Industrial Bank, Northern International Trust and their respective ultimate beneficial owners are Independent Third Parties.

## **Reasons for and benefits of entering into the Trust Contract**

On the one hand, the funds raised by the Trust Scheme can be used to repay the existing high interest-bearing liabilities of Beiqing Smart, optimize the financing structure of the Group and reduce financial expenses, and on the other hand, they can also be used to support the capital requirements for the Group's business expansion. At the same time, the Group's gearing ratio is expected to decline after the Trust Scheme is consolidated as a non-wholly owned subsidiary, thereby enhancing the Group's financial stability and investment and financing ability, which would help expand more rooms for financing, facilitate the development of low-cost debt financing such as bank loans in China, improve the Group's credit level and reduce financial costs.

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Trust Contract are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction under the Trust Contract exceeds 5% but is less than 25%, the transaction under the Trust Contract constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## **DEFINITIONS**

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

“associates”	has the meaning ascribed to it under the Listing Rules
“Beiqing Smart”	Tianjin Beiqing Electric Smart Energy Co., Ltd.* (天津北清電力智慧能源有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“beneficiaries”	the subordinate beneficiary and the superior beneficiary
“Board”	the board of directors of the Company
“Company”	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)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“entrustors”	the subordinate entrustor and the superior entrustor
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) which is/are independent of any member of the Group, the Directors, the chief executives, the controlling shareholders, the substantial shareholders of the Company or their subsidiaries, and their respective associates
“Industrial Bank”	Industrial Bank Co., Ltd., a joint stock company incorporated in the PRC with limited liability, the A shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601166)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Northern International Trust”	Northern International Trust Co., Ltd., a joint stock company incorporated in the PRC with limited liability
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust Contract”	the trust contract dated 30 April 2024 entered into among Beijing Smart, Industrial Bank and Northern International Trust for the subscription of the Trust Scheme

“Trust Scheme” Jingye No.9 Collective Fund Trust Scheme (京業九號集合  
資金信託計劃)

“%” per cent

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

Hong Kong, 30 April 2024

*As at the date of this announcement, the Board comprises Mr. Wang Xiaodong, Mr. Zhu Jianbiao, Mr. Wang Wenbo, Mr. Sun Qingwei, Ms. Liao Jianrong, Mr. Li Li, Mr. He Yongbing and Mr. Wang Meng as executive Directors; and Professor Qin Si Zhao, Mr. Victor Huang, Mr. Yang Xiangliang and Mr. Chiu Kung Chik as independent non-executive Directors.*

\* For identification purposes only