

**INTERIM RESULTS OF
BEIJING ENTERPRISES CLEAN ENERGY GROUP LIMITED**

(Hong Kong, 27 August 2021) Beijing Enterprises Clean Energy Group Limited and its subsidiaries (Stock Code: 1250, hereinafter referred to as the “**Company**” or the “**Group**”, as appropriate) announced its interim results for the six months ended 30 June 2021.

1. Financial information

Revenue was approximately HK\$3,019.2 million, representing an increase of approximately 32% as compared to the corresponding period of last year; gross profit margin decreased from 54.8% for the six months ended 30 June 2020 to 49.5% for the six months ended 30 June 2021 and the total gross profit for the six months ended 30 June 2021 increased by approximately 20% compared to the same period of last year; profit attributable to the equity holders of the Company was approximately HK\$340.3 million, representing an increase of approximately 2% as compared to the corresponding period of last year; basic earnings per share for the period was HK0.47 cent; and EBITDA amounted to approximately HK\$2,140.8 million, representing an increase of approximately 24% as compared to the corresponding period of last year.

As at 30 June 2021, total assets amounted to approximately HK\$58,860.8 million, representing an increase of approximately 3% as compared to the end of last year; total equity amounted to approximately HK\$13,650.1 million, representing an increase of approximately 4% as compared to the end of last year; and total liabilities amounted to approximately HK\$45,210.7 million, representing an increase of approximately 3% as compared to the end of last year.

The Group’s revenue and business structure have been successfully optimised by focusing on the power generation business with stronger sustainability, driving quality and efficiency enhancement of its existing projects, implementing cost reduction and efficiency enhancement by achieving further optimisation of its business mix in an active move to advance business structure with an objective to improve the Group’s overall performance. The revenue and total gross profit for the six months ended 30 June 2021 increased by approximately 32% and approximately 20% respectively compared to the same period of last year. During the period, the Group steadily developed its operating capacity through the investment, development, construction,

operation and management of clean energy power plant projects, and the aggregate revenue in respect of the sale of electricity and the provision of entrusted management services amounted to approximately HK\$2,180.1 million (six months ended 30 June 2020: approximately HK\$1,711.9 million), representing an increase of approximately 27% as compared to the corresponding period of last year.

Gross profit for the sale of electricity increased from approximately HK\$1,068.1 million for the six months ended 30 June 2020 to approximately HK\$1,388.2 million during the period, representing 93% (six months ended 30 June 2020: 85%) to the total gross profit of the Group. On the other hand, contribution of construction services to the Group's total gross profit was 4% (six months ended 30 June 2020: 1%) during the period.

In the first half of 2021, the power generation of the Group on a consolidated basis amounted to approximately 2.6 million megawatt-hour ("**MWh**") (six months ended 30 June 2020: approximately 1.9 million MWh), representing an increase of approximately 36.4% compared with the corresponding period of 2020. The aggregate operating power generation¹ of the projects held and/or managed by the Group, the associates and the joint ventures of the Group for the first half of 2021 was approximately 3.1 million MWh (six months ended 30 June 2020: approximately 2.5 million MWh), representing an increase of approximately 23.4% compared with the corresponding period of 2020.

2. Capacity highlights

As at 30 June 2021, the total installed capacity of the photovoltaic power plants and the wind power plants held and/or managed by the Group and in operation reached approximately 3,547 megawatt ("**MW**"), out of which aggregated capacity of approximately 2,850MW successfully enlisted in the list of National Renewable Energy Power Generation Subsidies for the renewable energy power generation projects (the "**Project List**"), representing over 80% of the Group's current on-grid capacity. The Group will continue its effort on enrolling the remaining photovoltaic power plants and wind power plants projects into the Project List. The Directors expect that the remaining photovoltaic power plants and wind power plants projects of the Group will receive the review approval and be enrolled in the Project List within 2021 and coming future.

(a) Centralised Photovoltaic Power Plant Projects

As at 30 June 2021, 50 (30 June 2020: 50) centralised photovoltaic power plants covering 12 provinces, 1 municipality and 2 autonomous regions in the People's Republic of China (the "**PRC**") and 1 (30 June 2020: 1) centralised photovoltaic power plant in Whyalla, Southern Australia, Australia were held by the Group and in operation, and the aggregate on-grid capacity of these photovoltaic power plants reached 2,241MW (30 June 2020: 2,143MW). Most of the Group's projects in the PRC were

¹ The operating power generation included (i) the power generation of the projects held by the Group, the associates and the joint ventures of the Group; and (ii) the power generation of the projects managed by the Group through the provision of entrusted management services.

situated in photovoltaic resource areas II and III as promulgated by the National Development and Reform Commission of the PRC (the “**NDRC**”), locations considered by the management to be favourable for the development of the Group’s Photovoltaic Power Business.

As at 30 June 2021, the Group’s aggregate installed capacity of the centralised photovoltaic power plants registered into the Project List reached approximately 1,850MW (31 December 2020: approximately 1,300MW).

(b) Distributed Photovoltaic Power Plant Projects

As at 30 June 2021, the total installed capacity of the distributed photovoltaic power plants held and/or managed by the Group and in operation reached approximately 700MW, mainly located in photovoltaic resource area III as promulgated by the NDRC such as Henan Province, Anhui Province, Shandong Province, Jiangsu Province and Hebei Province, which included the distributed photovoltaic power stations constructed by the Group in certain water plants of Beijing Enterprises Water Group Limited of which the Group sold electricity to respective water plants. Revenue from the sale of electricity from the Group’s distributed photovoltaic power plants reached approximately HK\$309.9 million during the period (six months ended 30 June 2020: approximately HK\$217.5 million).

As at 30 June 2021, the Group’s aggregate installed capacity of the distributed photovoltaic power plants registered into the Project List reached approximately 550MW (31 December 2020: reached approximately 300MW).

(c) Wind Power Plant Projects

As at 30 June 2021, through self-development, joint development, acquisitions, etc., the Group’s aggregate capacity of the grid-connected, under-construction and approved-to-construct wind power projects reached over 1,400MW. These projects mainly located in Hebei Province, Henan Province, Shandong Province, Shanxi Province and the Inner Mongolia Autonomous Region and mainly situated in wind resource area IV as promulgated by the NDRC. Among which, 14 (30 June 2020: 8) wind power plants covering 4 provinces and 1 autonomous region in the PRC with an aggregate on-grid capacity of 606MW (30 June 2020: 225MW) were held by the Group and in operation as at 30 June 2021. The Group recorded revenue of approximately HK\$544.1 million (six months ended 30 June 2020: approximately HK\$149.7 million) from the sale of electricity from the Group’s wind power plants.

As at 30 June 2021, the Group’s aggregate installed capacity of the wind power plants registered into the Project List reached approximately 450MW (31 December 2020: reached approximately 200MW).

(d) Clean Heat Supply Business

Clean heat supply represents the production of low emission heat through the utilisation of clean energies such as natural gas, electricity, geothermal energy,

biomass energy, photovoltaic power, industrial excess heat energy, clean coal (ultra-low emission) energy, river water source etc., and the supply of such heat to end users. With existing supportive government policies issued, such as the “Notice on Improving the Work Related to Heating by Renewable Energy Based on Local Conditions*” (《關於因地制宜做好可再生能源供暖相關工作的通知》) by the National Energy Administration (the “NEA”) in January 2021, which encouraged the local governments to actively support renewable energy heating projects, and the “China Energy Expected Goals in 2021*” (《2021年能源工作指導意見》) issued by the NEA in April 2021, which stated to intensify the action on clean heat supply to achieve a clean heat supply rate of 70% in the northern region in the PRC. The Clean Heat Supply Business shall have a favourable business prospects.

As at 30 June 2021, through development and business acquisition, 15 projects (30 June 2020: 17 projects) in operation with an aggregate actual clean heat supply area reached 29.36 million square meters (“sq.m.”) (30 June 2020: 27.40 million sq.m.), representing a year-on-year increase of 7.2%, with its projects locating in Hebei Province, Jiangsu Province, Shanxi Province, Shaanxi Province, the Ningxia Hui Autonomous Region and other provinces and autonomous regions were held and/or managed by the Group and the joint ventures of the Group. Revenue of approximately HK\$514.7 million (six months ended 30 June 2020: approximately HK\$463.6 million) arising from the provision of clean heat supply services was recognised by the Group during the period, representing an increase of approximately 11% as compared to the corresponding period of last year.

(e) Other Clean Energy Businesses

The Group has been exploring other clean energy businesses such as multi-energy complement, hydropower, energy storage, distribution and sales of electricity, hydrogen production and other business lines, and exploring international opportunities for strategic development and diversification, with an aim to become a leading integrated clean energy service provider.

During the period, the Group continued to proactively explore development opportunities for investment, construction and operation in the hydropower sector. As a new strategic business of the Group, the hydropower business is coordinated with other business segments. Relying on hydropower, the Group may establish energy bases which integrate the storage and transmission of wind power, photovoltaic power and hydropower, so as to deliver greater scale advantages and operating benefits, which is expected to contribute more stable income and cash flow to the Group in the future, optimises the Group’s clean energy power station asset portfolio. During the period, the Group has developed the hydropower business through different operating ways. On April 2021, the Group’s subsidiary 天津北清電力智慧能源有限公司 (Tianjin Beiqing Electric Smart Energy Co., Ltd.*) (formerly known as 北清清潔能源投資有限公司 (Beiqing Clean Energy Investment Company Limited*)) (the “**Beiqing Smart**”) entered into an operating rights agreement with 連州市嘉濶投資發展有限公司 (Lianzhou City Jiarun Investment Development Co., Ltd.*) (the “**Lianzhou Company**”)

in relation to the transfer of the operating rights of 連州市潭嶺水電廠 (Lianzhou City Tanling Hydropower Plant*) (the “**Hydropower Plant**”) to Beijing Smart, pursuant to which the Lianzhou Company agreed to transfer the operating rights of the Hydropower Plant to Beijing Smart (or its holding company) for a term of 20 years (from the date of transfer of the operating rights of the Hydropower Plant), subject to the obtaining of approval of the pumped-storage project.

3. Future outlook

We will build an ideal future through innovation and development. Facing the development opportunities brought by the “double carbon” targets (“Carbon Dioxide Emissions Peak, Carbon Neutrality”), the Group always keeps in mind the original aspiration of “promoting the revolution in energy production and consumption, building a clean, low-carbon, safe and efficient energy system”, closely follows the “14th Five-Year” development plan of the industry, and combines the development statuses of all of its businesses. In reliance on the multi-businesses’ advantages and supports from Beijing Enterprises Group Company Limited (“**BEGCL**”), and coordinating the business development of the companies under BEGCL, the Group actively builds a development system with “clean energy plus smart energy” as the core, vertical extension of the industrial chain and multi-business horizontal synergy, and comprehensively provides the development system of regional comprehensive energy management business.

In the face of the continuous recurrence of the coronavirus disease 2019 (COVID-19) pandemic, all business partners of the Group will rise to challenges with an unwavering heart. On the basis of making unremitting efforts to prevent and control the pandemic, we will focus on obtaining resource in the second half of the year to consolidate a new foundation for rapid development; deepen quality improvement and efficiency enhancement on professional technology to release new potentials for production and marketing; strengthen safety awareness and improve the new level of quality and safety; reinforce the organizational building, optimise the internal management to stimulate new momentum for corporate development and build a vibrant organization. The Group will promote the high-quality development of clean energy in the new era with firm belief and solid actions, and help the PRC to achieve the goals of “Carbon Dioxide Emissions Peak, Carbon Neutrality” in all aspects.

About Beijing Enterprises Clean Energy Group Limited

The Company was incorporated in Cayman Islands with limited liability and the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited, Stock Code: 1250. The single largest controlling shareholder of the Company is Beijing Enterprises Water Group Limited (a company listed on the main board of The Stock Exchange of Hong Kong Limited, Stock Code: 371). The Group has positioned itself strategically to be a clean energy enterprise with leading position and differentiated competitiveness in the industry. The Group focuses on the clean development and use of energy so as to provide “clean energy plus smart energy” solutions and build up a clean energy business ecosystem featuring multi-energy complement, and synergies on diverse of business lines and profit sources.

For more information, please visit the Group's website at: <http://www.bece.com.hk>

The Chinese translation is for reference only and the English version shall prevail in case of any inconsistency between the English version and the Chinese translation thereof.

** For identification purpose only*