
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the contents of this circular or to the action to be taken, you should consult your stockbroker or other registered intermediary in Hong Kong, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all or part of your holding in the shares of the Company, you should at once inform the purchaser or transferee of the circular together with the enclosed proxy form to the purchaser or transferee or to the stockbroker or other registered intermediary in Hong Kong for transmission to the purchaser or transferee.

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Beijing Jingneng Clean Energy Co., Limited
北

**PROPOSED TERMINATION OF THE 2020 H SHARE APPRECIATION RIGHTS SCHEME
PROPOSED ADOPTION OF H SHARE APPRECIATION RIGHTS SCHEME
AND THE GRANT
AND
NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2024**

All letters from the board of directors are set out on pages 3 to 6 of this circular.

The AGM will be held at the company at 9:30 a.m. on Friday, 2 February 2024, at Meeting Room 802, 8th floor, No. 6 Xilong Road, Longfeng District, Beijing, P.R.C. The notice of the AGM is set out on pages 17 to 18 of this circular. A proxy form for the AGM is enclosed with this circular. You may also visit the website of the Long Hong Stock Exchange (<http://www.ksehk.com>) or the website of the company (<http://www.bjce.com>). Whether or not you are entitled to attend the AGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon not later than 24 hours before the time fixed for holding the AGM (i.e., no later than 9:30 a.m. on Thursday, 1 February 2024) or in accordance with the instructions.

Completion and return of the proxy form will not preclude you from attending and voting at the AGM should you wish.

References to time in this circular refer to Long Hong time.

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The following expressions have the meanings set out below unless the context requires otherwise:

“Article of Association	the article of association of the company
“Company”	the state-owned enterprise provision in the Administration Commission of the People's Government of the People's Republic of China
“Director” or “Director of the Company	the director of the company
“Company”	the company registered in the People's Republic of China, including joint stock companies incorporated in the People's Republic of China, wholly or partly listed on the Hong Kong Stock Exchange
“Director”	the director of the company
“General Meeting	the first extraordinary general meeting of 2024 of the company to be held at 9:30 a.m. on Friday, 2 February 2024 at the Meeting Room 802, 8th floor, 606 Xinhua Road, Dongcheng District, Beijing, P.R.C.
“Grant	the proposed grant to the company in the scheme
“Share”	the ordinary share for general investment in the share capital of the company with a nominal value of RMB 1.00 each, which are created for the first time in the Hong Kong dollar
“Hong Kong	the Hong Kong Special Administrative Region of the P.R.C.
“Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
“Incumbent Representative	person working

DEFINITIONS

“Company”

the Share Appreciation Right Scheme of the Company to
control Share, if it is not provided to Share holders of the
Company

“Share Appreciation Right”

the Share Appreciation Right Grant Agreement,
representing the Right Conferral to the Incentive Recipient to
receive Shares Issued to Share holders from the increase in Share price of the
Company from the date of the Grant to the Share holder

“Share holders”

the Share holders of the Company

“%”

percent

LETTER FROM THE BOARD



Beijing Jingneng Clean Energy Co., Limited
北

Executive Directors

- r. 郭广宁 (Chairman)
- r. 王克勤 (General Manager)
- r. 郭文
- r. 尹

Registered Office

Room 118, 1 楼, 北京 经济 技术 开发区
Y 经济 技术 开发区, 北京
100000 P.R.

Non-executive Directors

- r. 魏
- r. 孙
- r. 郭

Principal Place of Business in Hong Kong

31 楼, 2 楼, 香港 皇后 大道 中
1 楼, 香港 皇后 大道 中
香港

Independent non-executive Directors

- r. 魏
- r. 王
- r. 尹
- r. 魏

17 J n r 2024

To the Shareholders

r. 王

**PROPOSED TERMINATION OF THE 2020 H SHARE APPRECIATION RIGHTS SCHEME
PROPOSED ADOPTION OF H SHARE APPRECIATION RIGHTS SCHEME
AND THE GRANT
AND
NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2024**

INTRODUCTION

The purpose of this circular is to provide notice of the General Meeting to provide information regarding the proposed termination of the 2020 H Share Appreciation Rights Scheme (the "Scheme") and the proposed adoption of the H Share Appreciation Rights Scheme (the "New Scheme") and the grant of the H Share Appreciation Rights Scheme (the "Grant") to the Shareholders of the Company. The Company is providing this information to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution to approve the proposed termination of the 2020 H Share Appreciation Rights Scheme and the proposed adoption of the New Scheme and the Grant.

LETTER FROM THE BOARD

PROPOSED TERMINATION OF THE 2020 H SHARE APPRECIATION RIGHTS SCHEME

Reference is made to the company's annual general meeting on 31 March 2020, the circular dated 9 April 2020, the poll results of the annual general meeting on 28 April 2020, the annual general meeting on 12 December 2023, in relation to the option of the Share Appreciation Rights Scheme in 2020 (the "2020 H Share Appreciation Rights Scheme"), and the proposed grant of the new grant of the 2020 H Share Appreciation Rights Scheme. The Board is now proposing, among other things, the termination of the 2020 H Share Appreciation Rights Scheme on 12 December 2023, which will be submitted to the General Meeting for the Board's approval.

THE PROPOSED H SHARE APPRECIATION RIGHTS SCHEME AND THE GRANT

Reference is made to the company's annual general meeting on 12 December 2023 in relation to, among other things, the proposed option of the Scheme and the Grant of the new Grant of the 2020 H Share Appreciation Rights Scheme. The Board is now proposing, among other things, the termination of the 2020 H Share Appreciation Rights Scheme on 12 December 2023, which will be submitted to the General Meeting for the Board's approval.

The Scheme and the Grant of the new Grant of the 2020 H Share Appreciation Rights Scheme will be submitted to the General Meeting for the Board's approval.

The Scheme does not involve the grant of option over the existing shares, new shares or other new securities issued by the company (or any of its subsidiaries) and is not subject to the requirements set out in paragraph 17 of the Listing Rules. As a matter of fact, the Scheme and the Grant of the new Grant of the 2020 H Share Appreciation Rights Scheme will be submitted to the General Meeting for the Board's approval.

The English version of the Scheme and the Grant of the new Grant of the 2020 H Share Appreciation Rights Scheme is for reference only. In case of any discrepancy between the Chinese version and the English version, the English version shall prevail.

Reasons for the Adoption of the Scheme

The Board of the view that the Scheme will be able to (i) enhance corporate competitiveness, create common interests, fill the talent gap, improve productivity and creativity of the employees, create a better work environment, improve the operational performance and competitiveness of the company, and (ii) create a long-term incentive mechanism for the employees, (iii) create a better work environment, improve productivity and creativity of the employees, and (iv) create a better work environment, improve productivity and creativity of the employees. The Board is now proposing, among other things, the termination of the 2020 H Share Appreciation Rights Scheme on 12 December 2023, which will be submitted to the General Meeting for the Board's approval.

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LETTER FROM THE BOARD

General Information

The Share Appreciation Right is not to be exercised by the Incumbent until the vesting of the shares, nor by the next holder, including but not limited to voting rights, allotment, dividend rights, Incumbent's voting rights to call, transfer, exercise, pledge, forfeiture, payment, non-renewal or continuation of the contract or its favor or in relation to the shares or the Share Appreciation Right or not into a company, nor to or by the vesting right to promote or maintain the contract of the contract or in the right to the Share Appreciation Right.

The Incumbent is required to work for the company according to the requirement for the position. If the Incumbent is not competent to perform the position or fails to perform, the Incumbent's exercise of the Share Appreciation Right is cancelled. If the Incumbent violates the terms of the contract, including the Article of Association, or the company's interest or reputation, violating the law, breaching professional duty, causing the company's credit or committing misconduct or malfeasance, the exercise of the Share Appreciation Right will be cancelled, and the vesting right to recover all or a portion of the gain obtained from the exercise of the right in case of the company's liquidation.

The Share Appreciation Right is not to be exercised by the Shareholder unless approved by the Shareholder's meeting.

or the purpose of carrying out specific matters relating to the Shareholder's meeting or the Shareholder's meeting.

- i) The Shareholder is required to grant the Share Appreciation Right to the Incumbent when the company's next Incumbent meets the conditions for the Grant, in the event of the company's exercise of the Share Appreciation Right;
- ii) The Shareholder is required to review and confirm with the company's next Incumbent the conditions for the exercise of the Share Appreciation Right, in the event of the company's exercise of the Share Appreciation Right;
- iii) The Shareholder is required to adjust the exercise price of the Share Appreciation Right in accordance with the provisions of the Shareholder's meeting on the vesting of the shares, lock-up, conversion of convertible shares into shares, allotment, dividend, merger, reorganization, etc., provisions for the Shareholder's meeting;
- iv) The Shareholder is required to cancel or exercise the Share Appreciation Right granted to the Incumbent in accordance with the provisions of the Shareholder's meeting on the vesting of the shares or the Incumbent's right to exercise the Share Appreciation Right in case of the company's liquidation, etc., provisions for the Shareholder's meeting;
- v) The Shareholder is required to cancel, in accordance with the provisions of the Shareholder's meeting, with or without the recovery of the gain obtained by the Incumbent's exercise of the Share Appreciation Right, in the event of the company's liquidation.

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Proposed Adoption of the Scheme and the Grant

A summary of the major terms of the Scheme is set out below.

Incentive Instrument

The Scheme is the Share Appreciation Rights instrument of the Company of the company in incentive instrument. Subject to the satisfaction of the exercise condition in the exercise instrument, the Incentive Recipient is entitled to receive the economic benefit of the difference in share price resulting from the increase in the price of the shares of the company within the exercise period. The Incentive Recipient shall own the shares or exercise rights. Shareholder, including but not limited to voting rights, dividend rights, etc. The Share Appreciation Rights shall not be transferred nor be subject to charging or pledging.

Effective Conditions

Approved by the Board of Directors, the Shareholder's general meeting.

Duration

Exercise from the date of approval to the general meeting.

Incentive Recipients

- i) Scope of Incentive Recipient for the first grant

113 Incentive Recipient in total number of Grants, including director and non-management of the company and management, technical, in core staff who have direct effect on the operation, result and development of the company.
- ii) Scope of Incentive Recipient for the reserve grant

The Incentive Recipient in the reserve grant is the Scheme includes 1) the company's new appointees and new recruits and non-management, 2) the company's new recruits and technical, key non-management personnel, 3) the company's new recruits in engineering, operation, technology, export or export work, personnel from the government at the provincial level, or related to the industry.

1) Reserve grant

Tranches of exercise	Exercise period	Exercise proportion
First tranche	from the first date of grant to 24 months from the date of the grant, or until the end of the 36 month period from the date of the grant	33
Second tranche	from the first date of grant to 36 months from the date of the grant, or until the end of the 48 month period from the date of the grant	33
Third tranche	from the first date of grant to 48 months from the date of the grant, or until the end of the 60 month period from the date of the grant	34

Conditions precedent for the Grant under the Scheme

The company may grant the Share Appreciation Rights upon the fulfilment of the following conditions:

1) none of the following events occur to the company:

1. failure to engage an accounting firm to conduct auditing work in accordance with the prescribed requirements;
2. the resignation or departure of the chief financial officer or any other person in a position of key management or control of the company;
3. material breach of relevant laws or regulations by the company;
4. lack of necessary support with necessary opinion or indicating that the company is unable to give an opinion on the financial report or the management of internal control for the internal accounting records.

- 5. profit attribution in violation of the law or regulation, the Article of Association or the articles of the company within 36 months;
- 6. provision from implementing the law or regulation;
- 7. other circumstances determined by the relevant regulator or authority.

(ii) none of the following events occur to the Incentive Recipient:

- 1. the receipt of the economic report provided to perform the duties or involvement in the management or management;
- 2. non-compliance with the relevant law or regulation of the R or the provision of the Article of Association;
- 3. resignation of office, involvement in acceptance or solicitation of bribe, corruption, theft, leakage of the company's trade secrets, contact connection with other individuals, management, which is significant impact to the company or the company's performance;
- 4. failure to discharge, or failure to discharge properly, the duties or responsibilities in the role in the company or other responsibilities;
- 5. determination of the Hong Kong Stock Exchange or the relevant regulator or authority in the period of 12 months;
- 6. imposition of the relevant regulator or authority with mandatory penalty or measures imposed into the market within 12 months to the material non-compliance of the law or regulation;

7. prohibition from acting as director or member of the managing committee of the company or participating in the Scheme;
8. prohibition from participating in the incentive of the company or participating in the award agreement;
9. other circumstances that may be relevant to the grant of the award.

Conditions precedent for exercise under the Scheme

The Share Appreciation Right grant to Incentive Recipient shall be exercisable upon the fulfilment of the following conditions:

- 1) none of the following events occur to the company:
 1. failure to engage an accounting firm to conduct auditing work in accordance with the prescribed requirements;
 2. the director or trustee of the self-owned trust, the director or shareholder or participant in violation of section 10 of the financial reform or the annual financial report of the company;
 3. material breach of relevant provisions or other relevant provisions;
 4. lack of independent report with an adverse opinion or indicating the inability to give an opinion on the financial report or the management of internal control for the latest accounting certificate period;
 5. profit distribution in violation of the award agreement, the Article of Association or the relevant regulations within 36 months;
 6. prohibition from implementing the incentive of the award agreement;

3) per mple profit creation of the company from 2024 to 2026 will not be less than R 1.16 million, R 1.25 million and R 1.28 million, respectively.

Notes:

1. During the validity period of the company's contract for functioning the non-public offering of shares, the company will not receive any income from the functioning activities, but the profit generated from the company will not be included in the financial statement of the company until the end of the period of the company's validity.
2. Total profit represents profit for tax.
3. The long-term value of the company's power generation unit for the period from the "start of reform and development" until the "start of own-account operation" in the administrative commission of the State Council. If the "start of own-account operation" in the administrative commission of the State Council no longer exists, the "start of reform and development" value of the company's power generation unit is not valid, and the market value of the company's power generation unit will no longer be considered.
4. Per mple profit creation = profit for tax * 2 / (total number of employees at the beginning of the year + total number of employees at the end of the year).
5. Non-fuel energy includes natural gas, wind energy, solar energy, hydro energy, geothermal energy, ocean energy, biomass energy, solar energy, and other renewable energy sources.
6. Non-fuel energy unit capacity includes all non-fuel energy unit capacity of controlled or contracted units, and non-fuel energy unit capacity of grid-connected units in proportion to their role.
7. The non-fuel energy unit capacity growth rate is based on the unit capacity in the "Annual Electricity Statistics Report" of the State Council. If the unit capacity no longer exists in the "Annual Electricity Statistics Report", the unit capacity will be determined by the total capacity of the power generation capacity growth rate in the "Annual Electricity Statistics Report" of the State Council. The power generation administrative department will determine the continuation to the next year's power generation.
8. The code is 2B4.

3. being a director of office, involvement in acceptance or objection of order, corruption, theft, leakage of the company's trade secrets, contract - contract transaction, other financial, contractual, which is a significant impact to the company's ability to plan its future,
4. failure to discharge, or failure to discharge properly, duties entrusted to him in his office in violation of the company's other rules and provisions,
5. termination of Long Term Stock Option or relevant right to participate in profit sharing in the past 12 months,
6. imposition of relevant right to participate with multiplicity of penalties or measures imposed on the market in the past 12 months to meet the non-compliance of law or regulation,
7. prohibition from acting as director or member of the supervisory board of the company or other relevant R I,
8. prohibition from participating in the income of the company or other relevant law or regulation,
9. other circumstances that may be relevant to the right to participate.

(v) Annual Performance Appraisal of the Incentive Recipient

The Incentive Recipient must obtain a performance appraisal score of 80 points or above for the period. If the performance appraisal score of the Incentive Recipient for the period is below 80 points, the company will cancel the exercise of the right of the Incentive Recipient's Share Appreciation Right pursuant to the provision of the company's Share Appreciation Right terms and conditions of the company.

Details of the Incentive Recipients under the Grant:

Name	Position	Number	Maximum number of the Share Appreciation Rights to be granted
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APPENDIX

PROPOSED ADOPTION OF H SHARE APPRECIATION RIGHTS SCHEME AND

At the time of the Grant, the expected gain of the Incentive Right shall not exceed 40% of the fair market value of the Grant (including expected gain from the Share Appreciation Right). The exercise price of the Share Right shall be the expected gain of the Incentive Right, 60% of the fair market value of the Grant.



Beijing Jingneng Clean Energy Co., Limited
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NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2024

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the "EGM") of Beijing Jingneng Clean Energy Co., Limited (the "Company") will be held at 9:30 a.m. on April 2, 2024 at Meeting Room 802, 8th floor, No. 6 Xiliao Road, Chaoyang District, Beijing, P.R. China, for the purpose of considering and approving the following resolutions:

SPECIAL RESOLUTIONS

- To consider and approve the termination of the share repurchase right committed by the Company in 2020.
- To consider and approve the option of the 2020 XG2020. (The 2020 XG2020 is the 2020 XG2020 of the Company.)

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2024

Notes:

title of the circular of notice is to be printed in the circular of the company dated 17 January 2024 (the "Circular"). Until the full completion of the registration process, all voting matters shall be decided by the board of directors.

1. CLOSURE OF REGISTER FOR H SHARES, ELIGIBILITY FOR ATTENDING THE EGM

The board of directors of the company hereby gives notice that the register for the company will be closed from Tuesday, 30 January 2024 to Friday, 2 February 2024 (both days inclusive). The shareholders who are entitled to attend the general meeting of the company on the closure of the register on Monday, 29 January 2024 are entitled to attend and vote at the G.M.

The board of directors of the company would like to invite the G.M. to be held at the registered office of the company at the address set out below. The shareholders are invited to attend the G.M. in person or by proxy. The registered office of the company is at Long Hong, Long Hong Investment Service Unit, Shop 1712-16, 17th floor, Aopwill Centre, 183 Nathan Road, West Kowloon, Hong Kong. The meeting will be held at 4.30 p.m. on Monday, 29 January 2024 for registration.

2. PROXY

Shareholders are entitled to attend and vote at the G.M. in person or by proxy. A proxy is not a shareholder of the company.

The instrument appointing a proxy must be in writing under the hand of the shareholder or the attorney-in-fact of the shareholder. If the shareholder is a corporation, the proxy form must be executed by the common director or the secretary or the attorney-in-fact of the corporation. If the proxy form is signed by the attorney-in-fact of the shareholder, the power of attorney authorizing the attorney-in-fact to sign or otherwise to act on behalf of the shareholder must be filed with the proxy form.

The board of directors of the company, the proxy form together with the power of attorney or other authorization document (if any) must be lodged at the company's registered office at Long Hong, Long Hong Investment Service Unit, Shop 1712-16, 17th floor, Aopwill Centre, 183 Nathan Road, West Kowloon, Hong Kong in person or by post not later than 24 hours before the time fixed for holding the G.M. (which is 9.30 a.m. on Tuesday, 1 February 2024) or the commencement of the business (whichever is earlier) in order to be valid. Shareholders can still attend and vote at the G.M. upon completion of the registration process.

3. ADDRESS AND TELEPHONE NUMBER OF THE COMPANY'S PRINCIPAL PLACE OF BUSINESS IN THE PRC

Address: 78, No. 6 Xiangyang Road, Longfeng District, Beijing, P.R.

Telephone: (86 10) 8740 7010 / (86 10) 8740 7065

4. PROCEDURES FOR VOTING AT THE EGM

An vote of shareholders at the G.M. shall be taken by poll.

5. OTHER BUSINESS

Shareholders (in person or by proxy) attending the G.M. are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the G.M. shall be responsible for their own travel expenses.

6. Reference to the notice of the Long Hong Investment Service Unit.