
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to this circular or its contents, or to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, broker, professional accountant or other professional adviser.

If you have sold or transferred your shares in Beijing Jingneng Clean Energy Co., Limited, you should at once inform this circular together with the enclosed proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the shares or transfer was effected for transmission to the purchaser or transferee.

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Beijing Jingneng Clean Energy Co., Limited

北京京能清潔能源電力股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00579)

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

A letter from the Board of Directors is set out on pages 3 to 6 of this circular.

The General Meeting will be held on 9:30 a.m. on Friday, 2 June 2024 at Meeting Room 802, 8th Floor, No. 6 Xijie Road, Xijie Subdistrict, Beijing, the People's Republic of China. The notice of the General Meeting is set out on pages 17 to 18 of this circular. A proxy form for the General Meeting is enclosed with this circular and will be published on the website of the Jong Jong stock exchange (<http://www.hkexnews.hk>) and the website of the company (<http://www.jnec.com>). Whether or not a shareholder attends the General Meeting, a shareholder is 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 General Meeting, no later than 9:30 a.m. on Tuesday, 1 June 2024, or in any event before the time fixed for the meeting.

Completion and return of the proxy form will not preclude a shareholder from attending and voting at the General Meeting.

Reference to time in this circular is to Hong Kong time.

17 June 2024

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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
“Beijing A.A.”	the state-owned A-share supervision and administration commission of People's Government of Beijing Municipality
“Board” or “Board of Directors”	the board of directors of the company
“Company”	Beijing Jingneng Chengneng (Group) Co., Ltd. (joint stock company incorporated in the PRC with limited liability, whose shares are registered on the Shanghai Stock Exchange)
“Director(s)”	the director(s) of the company
“EGM”	the first extraordinary general meeting of 2024 of the company to be held at 9:30 am on April 2 nd 2024 at Meeting Room 802, 8th Floor, 606 Xilue Road, Chaoyang District, Beijing, the PRC
“Grant”	the proposed grant to the company under the scheme
“Overseas”	the overseas foreign investment(s) in the share capital of the company with nominal value of RMB1.00 each, which are subscribed for in the Shanghai Stock Exchange
“Shanghai”	the Shanghai Special Administrative Region of the PRC
“Shanghai Stock Exchange”	The stock exchange of Shanghai
“Incentive Recipient(s)”	person(s) who are rewarded by the company

DEFINITIONS

“ ceme	the the re Appreciation ^R / ig t ” ceme of the omp n to be con tere n , if t a g t fit , pprove the re o er ” t t e A G V
“ re Appreciation ^R / ig t ”	the re ppreciation rig t ” gr nte u n er the ceme , repre enting the rig t ” conferre to the Incentive ^R / ecipient ” to receve the ee rning ” from the incre be in re price of the re ”, u subject to pecific timefr me n con ition ”
“ re o er ”	the o er ” of the re ” of the omp n
“%	per cent

LETTER FROM THE BOARD



Beijing Jingneng Clean Energy Co., Limited 北京京能清潔能源電力股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00579)

Executive Directors

▼ Mr. A. G. eng ng (Chairman)
▼ Mr. A. u (General Manager)
▼ Mr. A. G. Wei
▼ Mr. I. ngu

Registered Office

Room 118, 1. ng. t / o -
ing. conomic eve opment one
Y ngng t rict, Beijing
t e R

Non-executive Directors

▼ Mr. U J. nu
▼ Mr. G. L. ong
▼ Mr. A. G. YL

Principal Place of Business in Hong Kong

31. Tower Two, Time q re
1 t e dn treet, u ew
ong ong

Independent non-executive Directors

▼ Mr. A. Jie
▼ Mr. WA. G. ongxin
▼ Mr. I. L. n
▼ Mr. U. L. ung

17 J n r 2024

To the Shareholders

▼ Mr. u. m,

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 set out the notice of the G. n to provide a with set L reg r ing,
among other things, the proposed termination of the 2020 H share appreciation rights scheme (hereinafter referred to as the "Scheme") and the proposed adoption of the Scheme and the Grant to enable you to make informed decisions on whether to vote for or against the resolution to the proposed termination of the G. n

PROPOSED TERMINATION OF THE 2020 H SHARE APPRECIATION RIGHTS SCHEME

THE PROPOSED H SHARE APPRECIATION RIGHTS SCHEME AND THE GRANT

The angular velocity of the composite is nonofficially taken for reference on θ . In case of non-creep, no relative motion between the composite and the angular velocity of the composite is preserved.

The Board considers that the proposed term is in conjunction of the elements of the Grant referred to in the above-mentioned interest of the company in the proposed work.

General Information

- ii) u t o r l e t e / s o r - t o g r n t t e - r e A p p r e c i a t i o n / i g t " t o t h e I n c e n t i v e / e c u p n t " w e n o t t e o m p n n t e I n c e n t i v e / e c u p n t " m e e t t e c o n d i t i o n " f o r t h e G r n t, n t o n e m t t e r " n e c e " r f o r t h e g r n t o f t h e - r e A p p r e c i a t i o n / i g t ";
- iii) u t o r l e t e / s o r - t o r e v i e w n c o n f i r m w e t e r t e o m p n n t e I n c e n t i v e / e c u p n t " m e e t t e c o n d i t i o n " f o r t h e e x e r c i s e o f t h e - r e A p p r e c i a t i o n / i g t ", n t o n e m t t e r " n e c e " r f o r t h e e x e r c i s e - t h e I n c e n t i v e / e c u p n t ";
- iv) u t o r l e t e / s o r - t o - y t t e n m e r n t e e x e r c i s e p r i c e o f t h e - r e A p p r e c i a t i o n / i g t " i n c c o r n c e w i t h t h e p r o v i s i o n " o f t h e c e m e i n t h e e v e n t o f - i y l e n p a t, t o c k - i y l e n, c o n v e r s i o n o f c p u t r e s e r v e " i n t o " r e c p u t, o t m e n t, l u n c e o f n e w " r e " m e r g e r n " r e e x c n g e, e t c, " p r o v i d e f o r i n t h e c e m e;
- v) u t o r l e t e / s o r - t o n e t e e x e r c i s e o n n e x e r c i s e - r e A p p r e c i a t i o n / i g t " g r n t e t o t h e I n c e n t i v e / e c u p n t " i n c c o r n c e w i t h t h e p r o v i s i o n " o f t h e c e m e i n t h e e v e n t t h t t e o m p n n o r t h e I n c e n t i v e / e c u p n t " r e u " j e c t t o " d e c l c i r a m t n c e " u c " - e p n t r e f r o m t h e o m p n, r e t i r e m e n t, - e t, e t c, " p r o v i d e f o r i n t h e c e m e;
- vi) u t o r l e t e / s o r - t o - e c l e, i n c c o r n c e w i t h t h e p r o v i s i o n " o f t h e c e m e, w e t e r o r n o t t o r e c o v e r t h e g i n " t t t e I n c e n t i v e / e c u p n t " - v e r e c e i v e f r o m t h e e x e r c i s e o f t h e - r e A p p r e c i a t i o n / i g t "; n

vi) u t o r l e e h o r t o c r r a t o t e r m n g e m e n t " n e c e s s r

Proposed Adoption of the Scheme and the Grant

A summary of the major terms of the scheme are set out below:

Incentive Instrument

" The scheme is the Share Appreciation Rights^R instrument in respect of the shares of the company in an incentive instrument, subject to the satisfaction of the exercise conditions in the exercise arrangement, the Incentive Recipient^R shall have the right to receive the cash benefit of the difference in share price arising from the increase in the price of the specified number of shares within the exercise period. No Incentive Recipient^R shall own the shares or have right to shares or other financial rights not relating to voting rights, entitlement to dividends, etc. The Share Appreciation Rights^R shall not be transferred, nor be subject to trading or repurchasing.

Effective Conditions

" Approved by the Board of Directors and the Shareholders at the general meeting.

Duration

" Existing from the date of approval at the general meeting.

Incentive Recipients

" Scope of Incentive Recipient^R for the first grant

113 Incentive Recipient^R in total under the Grant, including Director and Senior Management of the company in the management, technical and other core staff who have direct effect on the operation and development of the company.

ii) Scope of Incentive Recipient^R for the reserve grant

The Incentive Recipient^R under the reserve grant under the scheme include 1) the company's new appointed and new recruited Senior Management; 2) the company's new recruited key technical, management personnel; and 3) the company's new training, engineering, expert, technical, scientific expert or expert who enjoy special allowance from the government of the province, even above related to energy technology.

**Number of the Share
Appreciation Rights to be
granted**

The total number of share^Rs relating to the share appreciation rights to be granted under the scheme is 123,675,000 shares, representing approximately 1.5% of the total share capital of the company at the date of the circular. The number of share^Rs relating to the share appreciation rights to be granted to any individual incentive recipient under the scheme shall not exceed 0.1% of the total share capital of the company.

Date of Grant

Upon satisfaction of the conditions of the Grant of the share appreciation rights in accordance with the scheme, the date of grant under the scheme shall be determined by the Board. The date of grant shall be the trading date. The date of grant is, in principle, the same as the date on which the scheme is considered and approved at the general meeting of the company.

Exercise Price

The right of (i) the closing price of the share^Rs at the date of grant of the share appreciation rights; (ii) the average closing price of the share^Rs for the five consecutive trading days immediately preceding the

14) Reserve grant

Tranches of exercise	Exercise period	Exercise proportion
First tranche	from the first trading day after 24 months from the date of the Reserve grant until the end of the trading day within 36 months from the date of the Reserve grant	33
Second tranche	from the first trading day after 36 months from the date of the Reserve grant until the end of the trading day within 48 months from the date of the Reserve grant	33
Third tranche	from the first trading day after 48 months from the date of the Reserve grant until the end of the trading day within 60 months from the date of the Reserve grant	34

Conditions precedent for the Grant under the Scheme

15) The company may grant the Reserve Appreciation Rights upon the fulfilment of the following condition:

16) none of the following event(s) shall occur to the company:

1. failure to engage an accounting firm to conduct auditing work in accordance with the prescribed procedure(s) requirement;
2. the regulator(s) of the state-owned bank(s), the board of supervisors or other department(s) have material objection in respect of the financial performance or the annual financial report of the company;
3. material records of the company were impounded by the regulator(s) or other relevant authorities;
4. failure of auditor's report with negative opinion or indicating the inability to give an opinion on the financial report or the effectiveness of internal control for the tested accounting period certificate period accounting.

5. profit contribution in violation of the written regulation, the Articles of Association or the undertaking during the first 36 months;
 6. production from implementing the incentive scheme the written regulation;
 7. other circumstances to be determined by the relevant regulator outside;
- ii) none of the following events shall occur to the Incentive Recipient:
1. the receipt of the economic responsibility audit or other report prove that the failure to perform duties effectively or involve in bribery, misconduct or malfeasance;
 2. non-compliance with the relevant written regulation of the Board or the provision of the Articles of Association;
 3. during the tenure of office, involvement in acceptance or solicitation of bribe, corruption, theft, leakage of the company's trade secret, conspiracy, conspiracy, connection or other unlawful conduct, which may cause the reputation of the company to be significantly negatively impacted to the image of the company and to the integrity of the company;
 4. failure to discharge, or failure to discharge properly, duties and responsibilities in the company or in the company's other business or in the company's other business or in the company's other business;
 5. determination of the company's stock exchange or relevant regulator to be in inappropriate position in the first 12 months;
 6. imposition of relevant regulator with disciplinary penalties or measures for the company's performance up to the market in the first 12 months due to the non-compliance of the company's regulation;

7. pro-portion from acting as director or member of the senior management of the company as required by the Listing Rules;
8. pro-portion from participating in any incentive of the company as required by the Listing Rules;
9. other circumstances to be determined by the relevant regulatory authority;

**Conditions precedent for
exercise under the Scheme**

4. The Share Appreciation Rights granted to Incentive Recipient shall be exercisable upon the fulfilment of the following conditions:

(i) none of the following events shall occur to the company:

1. failure to engage an accounting firm to conduct auditing work in accordance with the prescribed procedure as required;
2. the regulatory authority of the state-owned asset, the board of supervisors or auditing department have material objection in respect of the financial performance or the annual financial report of the company;
3. material records of the company were impounded by the regulatory authority or other relevant authority;
4. failure of auditor's report with a negative opinion or indicating the inability to give an opinion on the financial report or the effectiveness of internal control for the test accounting period certificate as required;
5. profit distribution in violation of the relevant regulation, the Article of Association or the undertaking during the last 36 months;
6. pro-portion from implementing any incentive of the company;

- 3) per employee profit creation of the company from 2024 to 2026 is not less than R¥1.16 million, R¥1.25 million and R¥1.28 million, respectively.

Notes:

- During the valid period of the scheme, if the company carries out financing to raise non-public offering of shares, the new increase in net assets from the financing activity is not the net profit generated from the net assets will not be included in the assessment calculation of return on equity attributable to the parent company in the following year.
- Total profit represents profit before tax.
- The higher value of the entire power generation unit for each year is based on the interpretation performance evaluation in the year of the state-owned Assets Supervision and Administration Commission of the State-owned Assets. If the state-owned Assets Supervision and Administration Commission of the State-owned Assets no longer issues the interpretation performance evaluation in the year, the end market of the unit are not valid, the end market of the unit will no longer be considered.
- per employee profit creation = profit before tax * 2 / (total number of employees at the beginning of the year + total number of employees at the end of the year).
- Non-fossil energy includes new energy, renewable energy, the present, wind energy, solar energy, hydroelectric energy, tidal energy, geothermal energy, ocean energy, biomass energy for geothermal energy, energy for geothermal energy, etc.
- Non-fossil energy unit electricity includes non-fossil energy unit electricity of control or condensing unit electricity in non-fossil energy unit electricity of condensing unit electricity in proportion to their respective.
- Non-fossil energy unit electricity growth rate is based on the unit electricity in the "Annual Electricity Statistics" of the National Electricity Administration. If the unit electricity is no longer issued, the "Annual Electricity Statistics" of the National Electricity Administration will be replaced with the unit electricity in the power generation capacity growth rate in the "Annual Electricity Statistics" of the National Electricity Administration to ensure the exercise condition to be higher than the unit electricity.
- The cost reduction is

3. during his tenure of office, involvement in acceptance or rejection of order, commission, theft, leakage of the company's trade secret, confidential connection with any other person with whom the company is engaged in business, interest in reputation of the company, negative impact to the image of the company, or to the company's growth;
 4. failure to discharge, or failure to discharge properly, his duties in relation to the company or in respect of the company or in respect of the company's interest in the company's business;
 5. determination of the long term stock exchange or relevant regulatory authority to be in proper position in the next 12 months;
 6. imposition of relevant regulatory authority with disciplinary penalties or measures for the company's interest in the market in the next 12 months due to the company's non-compliance of with the regulatory;
 7. prohibition from acting as director or member of the management of the company require the company's regulatory;
 8. prohibition from participating in the incentive of the company require the company's regulatory;
 9. other circumstances to be determined by the relevant regulatory authority.
- iv) the performance of the Incentive Recipient
- The Incentive Recipient's total performance score of 80 points or above for the previous year. If the performance score of the Incentive Recipient for the previous year is below 80 points, the company's incentive exercise of for the current period of the Incentive Recipient's share appreciation right is subject to the provision of the scheme that the share appreciation right thereof will be invulnerable to the company.

Details of the Incentive Recipients under the Grant:

Name	Position	Number	Maximum number of the Share Appreciation Rights to be granted	Approximate percentage to the total issued share capital of the Company as at the date of this circular (%)	Approximate percentage to the total number of Share Appreciation Rights to be granted under the Scheme (%)
Director and Senior Management					
Mr. Cheng	Member of the Board, Chairman of the Board, Executive Director	1	2,485,430	0.03%	2.01%
Mr. Wu	Executive Director, Member of the Board, Executive Director	1	2,485,430	0.03%	2.01%
Mr. Hong	Executive Director, Member of the Board, Chairman of the Board	1	2,236,887	0.03%	1.81%
Mr. Wei	Executive Director, Member of the Board, Chairman of the Board	1	2,236,887	0.03%	1.81%
Mr. Peng	Executive Director, Member of the Board, Chairman of the Board	1	2,236,887	0.03%	1.81%
Mr. Jin	Executive Director, Member of the Board, Chairman of the Board	1	2,236,887	0.03%	1.81%
Mr. Xu	Executive Director, Member of the Board, Chairman of the Board	1	2,236,887	0.03%	1.81%
Mr. Gao	Executive Director, Member of the Board, Chairman of the Board	1	2,236,887	0.03%	1.81%
Mr. Gu	Executive Director, Member of the Board, Chairman of the Board	1	2,236,887	0.03%	1.81%
Core staff		104	82,433,442	1.00%	66.65%
Total of the first grant		113	103,062,511	1.25%	83.33%
Reserved grant		-	20,612,489	0.25%	16.67%
Total			123,675,000	1.50%	100%

After the meeting of the Board, the Board will proceed to form the committee to approve the Grant after the scheme becomes effective.

APPENDIX

PROPOSED ADOPTION OF H SHARE APPRECIATION RIGHTS SCHEME AND

At the time of the Grant, the expected gain of the Incentive Recipient from the Incentive will not exceed 40% of the or greater total remuneration payable to the Incentive Recipient from the Share Appreciation Rights, during the exercise period of the scheme, the per unit of the expected gain of the Incentive Recipient is 60% of the or greater total remuneration payable to the Incentive Recipient at the time of the Grant.



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(Stock Code: 00579)

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 am on April 2, 2024 at the meeting room 802, 8th floor, No. 6 Xijie Road, Dongcheng District, Beijing, the PRC, for the purpose of considering, if it is so agreed, passing the following resolutions:

SPECIAL RESOLUTIONS

1. To consider and approve the termination of the share repurchase right scheme approved on 28 April 2020;
2. To consider and approve the adoption of the

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2024

Notes:

Let us of the "Special Resolution" referred to in the circular of the company dated 17 June 2024 (the "Circular"). Under the provisions of the Italian Civil Code, the company is required to convene the shareholders for the purpose of the resolution.

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

The register of shareholders of the company will be closed from Tuesday, 30 June 2024 to Tuesday, 2 July 2024 (both days inclusive). The shareholders who are entered in the register of shareholders of the company on the closing date of the register, Tuesday, 29 June 2024, are entitled to attend and vote at the AGM.

The shareholders of the company who wish to attend the AGM but have not registered the transfer of shares are required to deposit the transfer document together with the relevant certificate of the shares of the company in Hong Kong, together with the relevant Inland Revenue Service Form, at the company's registered office, 183 Queen's Road West, New Territories, Hong Kong, no later than 4:30 p.m. on Tuesday, 29 June 2024 for registration.

2. PROXY

The shareholders are entitled to attend and vote at the AGM and may appoint one or more proxies to attend and vote in their stead. A proxy need not be a shareholder of the company.

The instrument appointing a proxy must be in writing under the hand of the shareholder or its attorney duly authorized in writing. If the shareholder is a corporation, the proxy form must be duly executed under its common seal or under the hand of its director or its attorney. If the proxy form is signed by an attorney of the shareholder, the power of attorney authorizing the attorney to sign or otherwise authorize the appointment must be not later than the date of the appointment.

For shareholders of the company, the proxy form together with the power of attorney or other authorization document (if any) must be deposited with the company's registered office in Hong Kong, together with the relevant Inland Revenue Service Form, at 17 Queen's Road West, New Territories, Hong Kong, in person or by post not later than 24 hours before the time fixed for holding the AGM, no later than 9:30 a.m. on Tuesday, 1 July 2024) or in any manner thereof (to be determined) in order to be valid. The shareholders can attend and vote at the AGM upon completion and return of the proxy form.

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

Address: 78, 6 Xing Road, Hong Kong District, Beijing, China

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

4. PROCEDURES FOR VOTING AT THE EGM

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

5. OTHER BUSINESS

The shareholders in person or their proxies attending the AGM are responsible for their own transportation and accommodation expenses. The shareholders or their proxies attending the AGM are responsible for their own travel expenses.

6. Reference to the notice of the AGM