
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in China Suntien Green Energy Corporation Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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China Suntien Green Energy Corporation Limited*

新天綠色能源股份有限公司

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

(Stock Code: 00956)

**NON-EXERCISE OF PRE-EMPTIVE RIGHT
AND
2022 THIRD EXTRAORDINARY GENERAL MEETING**

China Suntien Green Energy Corporation Limited will convene the 2022 third extraordinary general meeting (the “EGM”) at 9:30 a.m. on Thursday, 29 December 2022 at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC. The notice of EGM is set out on pages 9 to 10 of this circular. A letter from the Board is set out on pages 3 to 8 of this circular.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon. For holders of H shares, the proxy form should be returned to Computershare Hong Kong Investor Services Limited in person or by post not less than 24 hours before the time fixed for the EGM or any adjourned meeting thereof (i.e. at or before 9:30 a.m. on Wednesday, 28 December 2022 for the purpose of the EGM) in respect of the EGM. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or at any other adjourned meeting should you so wish.

* *For identification purposes only*

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

| | |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “A Shares(s)” | ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each subscribed for and paid up in RMB, which is listed on the Main Board of the Shanghai Stock Exchange and traded in Renminbi |
| “A Share Listing Rules” | the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange |
| “Board” | the board of Directors of the Company |
| “Caofeidian Company” | Caofeidian Suntien Liquefied Natural Gas Co., Ltd.* (曹妃甸新天液化天然氣有限公司), a company incorporated in the PRC with limited liability on 22 March 2018, and a non-wholly owned subsidiary of the Company |
| “CDIG” | Tangshan Caofeidian Development Investment Group Limited* (唐山曹妃甸發展投資集團有限公司), a wholly state-owned enterprise established in the PRC and the proposed transferee of the Equity Transfer |
| “Company” | China Suntien Green Energy Corporation Limited* (新天綠色能源股份有限公司), a joint stock company incorporated in the PRC with limited liability on 9 February 2010, the H shares and A shares of which are listed on the Main Board of the Stock Exchange and the Main Board of the Shanghai Stock Exchange, respectively |
| “connected person(s)” | has the meaning ascribed to it under the Hong Kong Listing Rules |
| “controlling shareholder(s)” | has the meaning ascribed to it under the Hong Kong Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “EGM” | the 2022 third extraordinary general meeting of the Company to be held at 9:30 a.m. on Thursday, 29 December 2022 at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC |
| “Equity Transfer” | the proposed contractual transfer of 20% equity interests in Caofeidian Company by HECIC to CDIG |

DEFINITIONS

| | |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Group” | the Company and its subsidiaries |
| “H Share(s)” | overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is listed on the Stock Exchange and traded in Hong Kong dollars |
| “HECIC” | Hebei Construction & Investment Group Co., Ltd.* (河北建設投資集團有限責任公司), a wholly state-owned enterprise established in the PRC, and the controlling shareholder of the Company |
| “Hong Kong” | Hong Kong Special Administrative Region of the PRC |
| “Hong Kong Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time |
| “Latest Practicable Date” | 5 December 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular |
| “LNG” | liquefied natural gas |
| “PRC” | the People’s Republic of China, for the purpose of this circular, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan |
| “Pre-emptive Right” | the pre-emptive right of the Company in the target equity interest in Caofeidian Company under the Equity Transfer |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |

LETTER FROM THE BOARD



China Suntien Green Energy Corporation Limited* **新天綠色能源股份有限公司**

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00956)

Board of Directors:

Non-executive Directors:

Dr. Cao Xin (*Chairman*)

Dr. Li Lian Ping

Mr. Qin Gang

Mr. Wu Hui Jiang

Executive Directors:

Mr. Mei Chun Xiao (*President*)

Mr. Wang Hong Jun

Independent Non-executive Directors:

Mr. Guo Ying Jun

Mr. Wan Yim Keung, Daniel

Dr. Lin Tao

Registered Office and

Headquarters:

9th Floor, Block A, Yuyuan Plaza

No. 9 Yuhua West Road

Shijiazhuang City, Hebei Province

the PRC

Principal place of business

in Hong Kong:

Suite 2103, Prudential Tower

Harbour City

Kowloon

Hong Kong

7 December 2022

To the Shareholders

Dear Sirs and Madams

NON-EXERCISE OF PRE-EMPTIVE RIGHT AND 2022 THIRD EXTRAORDINARY GENERAL MEETING

I. INTRODUCTION

On behalf of the Board of Directors, I invite you to attend the EGM to be held at 9:30 a.m. on Thursday, 29 December 2022 at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC.

The purpose of this circular is to provide you with the notice of EGM and the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution at the EGM.

* *For identification purposes only*

LETTER FROM THE BOARD

II. BUSINESS TO BE CONSIDERED AT THE EGM

A resolution will be proposed at the EGM as ordinary resolution to approve the followings:

- (1) Resolution on the non-exercise of the Pre-emptive Right in respect of Caofeidian Suntien Liquefied Natural Gas Co., Ltd.

In order to enable you to have a better understanding of the resolution to be proposed at the EGM and to make a decision with sufficient and necessary information, the Company has provided detailed information to the Shareholders in this circular.

III. BUSINESS TO BE TRANSACTED AT THE EGM

Reference is made to the announcement of the Company dated 5 December 2022 in relation to the connected transaction in respect of non-exercise of the Pre-emptive Right.

1. NON-EXERCISE OF THE PRE-EMPTIVE RIGHT

As of the Latest Practicable Date, each of the Company and its controlling shareholder, HECIC, holds 51% and 49% equity interests in Caofeidian Company, respectively. The Board was informed that HECIC proposed to transfer 20% equity interests held by it in Caofeidian Company to CDIG. The consideration of the Equity Transfer will be determined based on the entire shareholders' equity of Caofeidian Company as of 31 December 2021 (the base date of appraisal), i.e. approximately RMB1,920 million, adopted the asset based approach, which is evaluated by China Enterprise Appraisals Consultation Co., Ltd., an independent third-party valuation agency, and subject to the valuation results filed with the state-owned assets supervision and administration authority. After comprehensive consideration of the factors such as the amount of capital contribution and the assets appreciation following the base date of appraisal, the estimated transfer price of the Equity Transfer ranges from RMB550 million to RMB620 million with the final price to be determined in the definitive agreement to be signed by the parties.

Pursuant to Article 71 of the Company Law of the PRC and the articles of association of Caofeidian Company, the Company, as a shareholder of Caofeidian Company, has the Pre-emptive Right in respect of any equity interest in Caofeidian Company proposed to be transferred by HECIC to any person other than existing shareholders in the Equity Transfer. After careful consideration by taking into account the practical operating conditions and the overall development plan of the Group, the Board resolved that the Company will not exercise the Pre-emptive Right.

It is expected that upon completion of the Equity Transfer, the Company, HECIC and CDIG will hold 51%, 29% and 20% of the shares of Caofeidian Company, respectively, and Caofeidian Company will remain a non-wholly owned subsidiary of the Company.

LETTER FROM THE BOARD

2. INFORMATION ON CAOFEIDIAN COMPANY

Caofeidian Company was incorporated on 22 March 2018 in accordance with the laws of the PRC. It is primarily engaged in investment in the development of Tangshan LNG Project, the Hebei Suntien Tangshan LNG Terminal Outbound Pipelines Project (Caofeidian – Baodi section) and the Hebei Suntien Tangshan LNG Terminal Outbound Pipelines Project (Baodi – Yongqing section).

Based on the financial statements of Caofeidian Company prepared in accordance with China Accounting Standards for Business Enterprises, the key financial data of Caofeidian Company for the two years ended 31 December 2020 and 2021 and the nine months ended 30 September 2022 are as follows:

| Key financial data (audited) | Item | As of 31 December 2020 |
|-----------------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------|
| | Total assets (<i>RMB'000</i>) | 3,350,642 |
| | Net assets (<i>RMB'000</i>) | 731,876 |
| | Item | Year ended 31 December 2020 |
| | Revenue (<i>RMB'000</i>) | 0.00 |
| | Net profit/("–" indicates loss) (before tax and extraordinary items) (<i>RMB'000</i>) | -75 |
| | Net profit/("–" indicates loss) (after tax and extraordinary items) (<i>RMB'000</i>) | -75 |
| Key financial data (audited) | Item | As of 31 December 2021 |
| | Total assets (<i>RMB'000</i>) | 8,747,702 |
| | Net assets (<i>RMB'000</i>) | 1,451,713 |
| | Item | Year ended 31 December 2021 |
| | Revenue (<i>RMB'000</i>) | 0.00 |
| | Net profit/("–" indicates loss) (before tax and extraordinary items) (<i>RMB'000</i>) | -162 |
| | Net profit/("–" indicates loss) (after tax and extraordinary items) (<i>RMB'000</i>) | -162 |

LETTER FROM THE BOARD

| Key financial data (unaudited) | Item | As of 30 September 2022 |
|-------------------------------------------|--------------------------------------------------------------------------------------------|----------------------------------------------------|
| | Total assets (<i>RMB'000</i>) | 12,015,188 |
| | Net assets (<i>RMB'000</i>) | 2,148,713 |
| | | Nine months ended 30 September 2022 |
| | Item | |
| | Revenue (<i>RMB'000</i>) | 0.00 |
| | Net profit/("-" indicates loss) (before tax and extraordinary items) (<i>RMB'000</i>) | 0.00 |
| | Net profit/("-" indicates loss) (after tax and extraordinary items) (<i>RMB'000</i>) | 0.00 |

3. REASONS FOR AND BENEFITS OF NON-EXERCISE OF THE PRE-EMPTIVE RIGHT

The Company's non-exercise of the Pre-emptive Right is based on its practical business conditions and overall development plan. Caofeidian Company is primarily engaged in investment in the development of Tangshan LNG Project, the Hebei Suntien Tangshan LNG Terminal Outbound Pipelines Project (Caofeidian – Baodi section) and the Hebei Suntien Tangshan LNG Terminal Outbound Pipelines Project (Baodi – Yongqing section), with huge capital investments in the early stage of project construction. Rooted in the development and construction of Caofeidian City, CDIG has rich resources and a broad business network in the region. The Equity Transfer will introduce new shareholders to Caofeidian Company and provide more powerful support for the future project construction and operation activities of Caofeidian Company. Meanwhile, it will form a better synergy through the cooperation with CDIG which may provide more opportunities for Caofeidian Company to expand its business.

Based on the above, the Directors, including the independent non-executive Directors, believe that although the non-exercise of the Pre-emptive Right is not conducted in the Company's ordinary and usual course of business, it is on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

4. HONG KONG LISTING RULES IMPLICATIONS

HECIC is a controlling shareholder holding 49.17% equity interests in the Company and therefore a connected person of the Company. Pursuant to Rule 14A.24 of the Hong Kong Listing Rules, the Company's non-exercise of the Pre-emptive Right is a transaction between the Company and a connected person. As the highest percentage ratio applicable to the non-exercise of the Pre-emptive Right exceeds 0.1% but is less than 5%, the non-exercise of the Pre-emptive Right is subject to the reporting and announcement requirements but is exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

LETTER FROM THE BOARD

As Dr. Cao Xin, Dr. Li Lian Ping, Mr. Qin Gang and Mr. Wu Hui Jiang hold positions in HECIC, and Mr. Mei Chun Xiao and Mr. Wang Hong Jun hold positions in Caofeidian Company, they had abstained from voting on the Board resolution on the non-exercise of the Pre-emptive Right in accordance with the articles of association of the Company. Save for the above, none of the Directors has any material interest in the non-exercise of the Pre-emptive Right and no other Directors are therefore required to abstain from voting on the Board resolution.

Considering that the amount of the Group's related transactions (as defined under the A Share Listing Rules) with HECIC and companies directly or indirectly controlled by HECIC in the past 12 months accounted for 5% of the absolute value of the latest audited net assets of the Company, the non-exercise of the Pre-emptive Right is subject to approval by the general meeting of the Company, pursuant to the A Share Listing Rules and the articles of association of the Company.

V. GENERAL INFORMATION

The Company

The Company is one of the leading clean energy companies in Northern China. Its scope of business includes: (i) investment in exploration and utilization projects of natural gas, LNG, compressed natural gas, coalbed methane and coal-made natural gas, etc.; (ii) investment in the development of new energy projects such as wind power and solar power projects; and (iii) development of new energy technology and technical services.

HECIC

HECIC is a wholly state-owned enterprise established under the approval of the People's Government of Hebei Province and is under the direct supervision of the State-owned Assets Supervision and Administration Commission of the People's Government of Hebei Province. It is primarily engaged in the investment and construction of energy, transportation, water business, commercial real estates and other infrastructure industries, infrastructures and pillar industries of Hebei Province.

CDIG

CDIG is a wholly-owned subsidiary of Caofeidian State Holding Investment Group Co., Ltd.* (曹妃甸國控投資集團有限公司). CDIG is primarily engaged in the industries in relation to urban operation, industrial investment and infrastructure supporting in Caofeidian City. It has a total of more than 60 subsidiaries and branches, covering nine major business segments, namely public utilities, asset management, trade logistics, tourism development, investment in new industries, transportation investment, park development, engineering construction and engineering management. It carries out overall planning, management and operation of regional monopolistic resources. To the best of the knowledge, information and belief of the Directors after making all reasonable enquiries, CDIG and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

LETTER FROM THE BOARD

IV. EGM

The Company will convene the EGM on Thursday, 29 December 2022 at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC. The notice of EGM is set out on pages 9 to 10 of this circular.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the form of proxy in accordance with the instructions printed thereon. Holders of H Shares shall return the form of proxy to Computershare Hong Kong Investor Services Limited in person or by post not less than 24 hours before the time fixed for holding the EGM or any adjourned meeting thereof (i.e. at or before 9:30 a.m. on Wednesday, 28 December 2022 in respect of the EGM). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any other adjourned meeting should you so wish.

Arrangements for holders of A Shares to attend the EGM will be separately announced by the Company on the website of the Shanghai Stock Exchange as and when appropriate.

V. VOTING BY POLL

According to Rule 13.39(4) of the H Share Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the Chairman of the EGM will exercise his power under the articles of association of the Company to demand a poll in relation to all the proposed resolution at the EGM.

In view of HECIC's interests in Caofeidian Company, HECIC and its associates are required to abstain and shall abstain from voting on the ordinary resolution to be proposed at the EGM to approve the resolution on the non-exercise of the Pre-emptive Right in respect of Caofeidian Company.

VI. RECOMMENDATIONS

The Board considers that the resolution proposed at the EGM is in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution to be proposed at the EGM.

Yours faithfully,
Cao Xin
Chairman

NOTICE OF EGM



China Suntien Green Energy Corporation Limited* **新天綠色能源股份有限公司**

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00956)

NOTICE OF 2022 THIRD EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2022 third extraordinary general meeting (the “EGM”) of China Suntien Green Energy Corporation Limited (the “**Company**”) will be held at 9:30 a.m. on Thursday, 29 December 2022 at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC, for the consideration and approval of the following matters:

AS ORDINARY RESOLUTION

1. Resolution on the non-exercise of the Pre-emptive Right in respect of Caofeidian Suntien Liquefied Natural Gas Co., Ltd.

By order of the Board of Directors
China Suntien Green Energy Corporation Limited
Mr. Mei Chun Xiao
Executive Director/President

Shijiazhuang City, Hebei Province, the PRC, 7 December 2022

Notes:

1. Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by way of a poll. Accordingly, each of the resolution set out in the notice of EGM will be voted by poll. Results of the poll voting will be published on the Company's website at www.suntien.com and the HKExnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the EGM.
2. Any shareholder entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxies to attend and vote on behalf of him/her. A proxy need not be a shareholder of the Company.
3. In order to be valid, the proxy form together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be completed and returned to the Company's registered office and headquarters in the PRC (for holders of A shares) or the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited (for holders of H shares), at least 24 hours before the EGM or any adjourned meeting thereof (i.e. at or before 9:30 a.m. on Wednesday, 28 December 2022 in respect of the EGM). Computershare Hong Kong Investor Services Limited is located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of a proxy form will not preclude a shareholder from attending and voting at the EGM or any adjourned meeting thereof should he/she so wish.

NOTICE OF EGM

4. The H share register of members of the Company will be closed, for the purpose of determining the entitlement of holders of H shares to attend the EGM, from Thursday, 22 December 2022 to Thursday, 29 December 2022 (both days inclusive), during which period no transfer of H shares will be registered. In order to attend the EGM, all instruments of transfers, accompanied by the relevant share certificates, must be lodged for registration with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 21 December 2022. Holders of H shares of the Company who are registered with Computershare Hong Kong Investor Services Limited on or before the aforementioned date are entitled to attend the EGM.
5. In case of joint shareholdings, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
6. The EGM is expected to be held for less than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.
7. A shareholder or his/her proxy should produce proof of identity when attending the EGM.
8. The Company's registered office and headquarters in the PRC is 9th Floor, Block A, Yuyuan Plaza, No. 9 Yuhua West Road, Shijiazhuang City, Hebei Province, the PRC.

As at the date of this notice, the non-executive directors of the Company are Dr. Cao Xin, Dr. Li Lian Ping, Mr. Qin Gang and Mr. Wu Hui Jiang; the executive directors of the Company are Mr. Mei Chun Xiao and Mr. Wang Hong Jun; and the independent non-executive directors of the Company are Mr. Guo Ying Jun, Mr. Wan Yim Keung, Daniel and Dr. Lin Tao.

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