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**綠色動力**  
DYNAGREEN

**綠色動力環保集團股份有限公司**  
**Dynagreen Environmental Protection Group Co., Ltd.\***

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

**(Stock Code: 1330)**

**CONNECTED TRANSACTIONS**

On 4 April 2018, Beijing Dynagreen, a subsidiary of the Company, entered into the Showcase Video Production Agreement with Beijing CDT, pursuant to which Beijing CDT agreed to produce a showcase video and an interactive program for the Beijing Tongzhou District Renewable Energy Plant to Beijing Dynagreen.

Beijing BeiAo is a wholly-owned subsidiary of BSAM (a Controlling Shareholder) and Beijing CDT is a direct subsidiary of Beijing BeiAo. Therefore, Beijing BeiAo and Beijing CDT are connected persons of the Company and the transaction contemplated under the Showcase Video Production Agreement constitutes a connected transaction of the Company pursuant to the Listing Rules.

Reference is made to the Announcements in relation to the Previous Connected Transactions. The Beijing Previous Connected Transactions were entered into between Beijing Dynagreen and Beijing CDT which were connected persons of the Company. The Huizhou Previous Connected Transactions were entered into between Huizhou Dynagreen and Shenzhen CDT. Shenzhen CDT is an indirect subsidiary of Beijing BeiAo. As such, the Previous Connected Transactions and the Showcase Video Production Agreement shall be aggregated pursuant to Rule 14A.81 of the Listing Rules.

As the applicable percentage ratios on an aggregate basis under Rule 14A.81 of the Listing Rules are more than 0.1% but less than 5%, the transactions contemplated under the Previous Connected Transactions and the Showcase Video Production Agreement are subject to the reporting and announcement requirements but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **INTRODUCTION**

On 4 April 2018, Beijing Dynagreen, a subsidiary of the Company, entered into the Showcase Video Production Agreement with Beijing CDT, pursuant to which Beijing CDT agreed to produce a showcase video and an interactive program for the Beijing Tongzhou District Renewable Energy Plant to Beijing Dynagreen.

Beijing BeiAo is a wholly-owned subsidiary of BSAM (a Controlling Shareholder) and Beijing CDT is a direct subsidiary of Beijing BeiAo. Therefore, Beijing BeiAo and Beijing CDT are connected persons of the Company and the transaction contemplated under the Showcase Video Production Agreement constitutes a connected transaction of the Company pursuant to the Listing Rules.

## **THE SHOWCASE VIDEO PRODUCTION AGREEMENT**

Details of the Showcase Video Production Agreement are set out as below:

Date of agreement	:	4 April 2018
Parties	:	(1) Beijing Dynagreen; and (2) Beijing CDT
Subject	:	Beijing CDT has agreed to produce a showcase video and an interactive program for the Beijing Tongzhou District Renewable Energy Plant.
Project duration	:	Within 45 business days from the date of entry into the Showcase Video Production Agreement and Beijing CDT's receipt of Beijing Dynagreen's prepayment.
Consideration	:	RMB4,273,000  The consideration was determined through bidding for the types of content required for the project, having considered the average fees charged by Independent Third Parties for provision of similar services. The consideration will be satisfied by the Company's own resources.
Payment terms	:	(i) Within ten business days upon entry into the Showcase Video Production Agreement and receipt of the VAT invoice from Beijing CDT, Beijing Dynagreen shall pay 50% of the total consideration as prepayment.

- (ii) After the design of sample video, sample preview and the interactive program are completed to the satisfaction of Beijing Dynagreen, within five business days upon receipt of the VAT invoice from Beijing CDT, Beijing Dynagreen shall pay 20% of the total consideration as the 2nd instalment payment.
- (iii) Upon completion of the rendering of the video, within five business days upon receipt of the VAT invoice from Beijing CDT, Beijing Dynagreen shall pay 20% of the total consideration as the 3rd instalment payment.
- (iv) Beijing Dynagreen shall pay the remaining 10% of the total consideration upon its inspection and acceptance of the video and interactive program.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE SHOWCASE VIDEO PRODUCTION AGREEMENT**

The transaction contemplated under the Showcase Video Production Agreement helps to upgrade the image of the Tongzhou Project, showcases the Company's design concept and standard of project construction, and promotes sustainable development of the Company's waste-to-energy power generations business.

The Directors (including the independent non-executive Directors) are of the view that the Showcase Video Production Agreement was entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better after arm's length negotiation; and (iii) on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Mr. Zhi Jun, Mr. Guo Yitao and Mr. Feng Changzheng, non-executive Directors of the Company are employees of BSAM or entities under the BSAM group. Accordingly, Mr. Zhi Jun, Mr. Guo Yitao and Mr. Feng Changzheng had abstained from voting on the Board resolutions approving the Showcase Video Production Agreement and the transaction contemplated thereunder. Save as disclosed above, none of the Directors has any material interest in the Showcase Video Production Agreement or the transaction contemplated there under.

## **INFORMATION ON THE PARTIES**

### **Beijing Dynagreen**

Beijing Dynagreen is a company incorporated in the PRC on 21 February 2014 with limited liability, which is principally engaged in the design, construction, operation and management of waste-to-energy power plant.

## **Beijing BeiAo**

Beijing BeiAo is principally engaged in businesses including commercial performances and agency; design production, agency and broadcasting of domestic and international advertisements; production of stage props; operation of sports events; and operation of sports complexes (exclusive of pool complexes).

## **Beijing CDT**

Beijing CDT is a direct subsidiary of Beijing BeiAo and is principally engaged in digital image design, decoration design and construction, visual arts and designs, and exhibition organization and design.

## **LISTING RULE IMPLICATIONS**

Beijing BeiAo is a wholly-owned subsidiary of BSAM (a Controlling Shareholder) and Beijing CDT is a direct subsidiary of Beijing BeiAo. Therefore, Beijing BeiAo and Beijing CDT are connected persons of the Company and the transaction contemplated under the Showcase Video Production Agreement constituted a connected transaction of the Company pursuant to the Listing Rules.

Reference is made to the Announcements in relation to the Previous Connected Transactions. The Beijing Previous Connected Transactions were entered into between Beijing Dynagreen and Beijing CDT. The Huizhou Previous Connected Transactions were entered into between Huizhou Dynagreen and Shenzhen CDT. Shenzhen CDT is an indirect subsidiary of Beijing BeiAo, hence a connected person of the Company. As such, the Previous Connected Transactions and the Showcase Video Production Agreement shall be aggregated pursuant to Rule 14A.81 of the Listing Rules.

As the applicable percentage ratios on an aggregated basis under Rule 14A.81 of the Listing Rules are more than 0.1% but less than 5%, the transactions contemplated under the Previous Connected Transactions and the Showcase Video Production Agreement are subject to the reporting and announcement requirements but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## DEFINITIONS

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

“Announcements”	the announcements of the Company dated 21 August 2017 and 20 November 2017 in relation to the Huizhou Previous Connected Transactions and the Beijing Previous Connected Transactions, respectively
“Beijing BeiAo”	Beijing BeiAo Group Co., Ltd.* (北京北奧集團有限責任公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of BSAM
“Beijing CDT”	Beijing Crystal Digital Technology Co., Ltd.* (北京水晶石數字科技有限公司), a company incorporated in the PRC with limited liability and is a direct subsidiary of Beijing BeiAo
“Beijing Dynagreen”	Beijing Dynagreen Environment Co., Ltd.* (北京綠色動力環保有限公司), a company incorporated in the PRC with limited liability and is a subsidiary of the Company
“Beijing Previous Connected Transactions”	the connected transactions entered into between Beijing Dynagreen and Beijing CDT in November 2017
“Board”	The board of directors of the Company
“BSAM”	Beijing State-owned Assets Management Co., Ltd.* (北京國有資產經營有限責任公司), a company established in the PRC and is wholly-owned by the Beijing Municipal Government, being a Controlling Shareholder of the Company
“Company”	Dynagreen Environmental Protection Group Co., Ltd.* (綠色動力環保集團股份有限公司), a joint stock limited liability company incorporated under the laws of the PRC on 23 April 2012, which is listed on the Main Board of the Stock Exchange (Stock Code: 1330)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules and the word “connected” shall be construed accordingly
“Controlling Shareholder”	has the meaning ascribed thereto under the Listing Rules

“Showcase Video Production Agreement”	an agreement in relation to the production of a showcase video and an interactive program for the Beijing Tongzhou District Renewable Energy Plant entered into between Beijing Dynagreen and Beijing CDT on 4 April 2018
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Huizhou Dynagreen”	Huizhou Dynagreen Renewable Energy Co., Ltd.* (惠州綠色動力環保有限公司), a company incorporated in the PRC with limited liability and is a subsidiary of the Company
“Huizhou Previous Connected Transactions”	the connected transactions entered into between Huizhou Dynagreen and Shenzhen CDT between April 2017 and May 2017
“Independent Third Parties”	independent third parties independent of the Company and the connected persons of the Company
“Independent Shareholder(s)”	the Shareholders who are not required to abstain from voting on the Board resolutions for approving the Showcase Video Production Agreement the transaction contemplated thereunder under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China which, for the purposes of this announcement, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Previous Connected Transactions”	collectively, the Huizhou Previous Connected Transactions and the Beijing Previous Connected Transactions
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary share(s) of RMB1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen CDT”	Shenzhen Crystal Digital Technology Co., Ltd.* (深圳水晶石數字科技有限公司), a company incorporated in the PRC with limited liability and is an indirect subsidiary of Beijing BeiAo

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“Tongzhou Project”

Tongzhou District Renewable Energy Power Plant Project (通州區再生能源發電廠項目)

By Order of the Board

**Dynagreen Environmental Protection Group Co., Ltd.\***

**Zhi Jun**

*Chairman*

Shenzhen, the PRC

4 April 2018

*As at the date of this announcement, the non-executive Directors of the Company are Mr. Zhi Jun, Mr. Guo Yitao, Mr. Liu Shuguang and Mr. Feng Changzheng, the executive Directors of the Company are Mr. Qiao Dewei and Mr. Hu Shengyong and the independent non-executive Directors of the Company are Ms. Chen Xin, Mr. Ou Yuezhou and Ms. Fu Jie.*

\* *For identification purposes only*