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**四川能投發展股份有限公司**

**Sichuan Energy Investment Development Co., Ltd.\***

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

**(Stock code: 01713)**

## **DISCLOSEABLE TRANSACTIONS SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS**

### **SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS**

Reference is made to the announcements of the Company dated 16 October 2019 and 30 October 2019, in which it was disclosed that the Company entered into the Financial Products Agreements, being eight agreements, to subscribe for certain principal guaranteed structured deposit products provided by the Bank during the period from 25 January 2019 to 30 October 2019. As at the date of this announcement, all the structured deposit products under the Financial Products Agreements have matured.

On 2 January 2020, the Company entered into the Ninth Structured Deposit Product Agreement and the Tenth Structured Deposit Product Agreement with the Bank, pursuant to which the Company agreed to subscribe for the principal guaranteed structured deposit products, with a principal amount of RMB50,000,000, and RMB200,000,000, respectively.

### **LISTING RULES IMPLICATIONS**

As the Ninth Structured Deposit Product Agreement and the Tenth Structured Deposit Product Agreement are entered into with the same bank and are of a similar nature, the transaction under the Ninth Structured Deposit Product Agreement shall be aggregated with that under the Tenth Structured Deposit Product Agreement pursuant to Rule 14.22 of the Listing Rules. As the highest of the applicable percentage ratios calculated according to Rule 14.07 of the Listing Rules in respect of the Ninth Structured Deposit Product Agreement and the Tenth Structured Deposit Product Agreement, on an aggregated basis, exceeds 5% but all of the applicable percentage ratios are less than 25%, the transactions constitute discloseable transactions for the Company and therefore subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

## BACKGROUND

Reference is made to the announcements of the Company dated 16 October 2019 and 30 October 2019, in which it was disclosed that the Company entered into the Financial Products Agreements, being eight agreements, to subscribe for certain principal guaranteed structured deposit products provided by the Bank during the period from 25 January 2019 to 30 October 2019. As at the date of this announcement, all the structured deposit products under the Financial Products Agreements have matured.

On 2 January 2020, the Company entered into the Ninth Structured Deposit Product Agreement and the Tenth Structured Deposit Product Agreement with the Bank, pursuant to which the Company agreed to subscribe for the principal guaranteed structured deposit products, with a principal amount of RMB50,000,000, and RMB200,000,000, respectively.

## THE NINTH STRUCTURED DEPOSIT PRODUCT AGREEMENT

On 2 January 2020, the Company entered into the Ninth Structured Deposit Product Agreement with the Bank. The principal terms of the Ninth Structured Deposit Product Agreement are set out below:

<b>Date:</b>	2 January 2020
<b>Product:</b>	Bank of Communication Yuntong Fortune Periodic Structured Deposits 91 Days (Gold Linked Bearish)
<b>Parties:</b>	(1) the Company, as the subscriber; and (2) Sichuan Branch of the Bank of Communications, as the bank
<b>Type of Product:</b>	Fully principal-guaranteed
<b>Principal:</b>	RMB50,000,000
<b>Term:</b>	91 days (from 3 January 2020 to 3 April 2020)
<b>Expected Return Rate Per Annum:</b>	Annualized return rate of between 1.35% to 3.65%  If the closing price of the AU99.99 on the Shanghai Gold Exchange is less than or equal to the exercise price, being RMB410 per gram, on 31 March 2020, the annualized return rate will be 3.65%, otherwise it will be 1.35%.
<b>Formula for Calculation of Interest:</b>	$\text{Principal} \times \text{annualized return rate} \times \text{actual term of deposit (days)}/365 \text{ days}$
<b>Right of Early Termination or Redemption:</b>	The Company has no right of early termination or redemption.
<b>Minimum Interest:</b>	$\text{RMB50,000,000} \times 1.35\% \times 91/365 = \text{RMB168,288}$

## THE TENTH STRUCTURED DEPOSIT PRODUCT AGREEMENT

On 2 January 2020, the Company entered into the Tenth Structured Deposit Product Agreement with the Bank. The principal terms of the Tenth Structured Deposit Product Agreement are set out below:

<b>Date:</b>	2 January 2020
<b>Product:</b>	Bank of Communication Yuntong Fortune Periodic Structured Deposits 154 Days (Gold Linked Bearish)
<b>Parties:</b>	(1) the Company, as the subscriber; and (2) Sichuan Branch of the Bank of Communications, as the bank
<b>Type of Product:</b>	Fully principal-guaranteed
<b>Principal:</b>	RMB200,000,000
<b>Term:</b>	154 days (from 3 January 2020 to 5 June 2020)
<b>Expected Return Rate Per Annum:</b>	Annualized return rate of between 1.35% to 3.65%  If the closing price of the AU99.99 on the Shanghai Gold Exchange is less than or equal to the exercise price, being RMB410 per gram, on 2 June 2020, the annualized return rate will be 3.65%, otherwise it will be 1.35%.
<b>Formula for Calculation of Interest:</b>	$\text{Principal} \times \text{annualized return rate} \times \text{actual term of deposit (days)}/365 \text{ days}$
<b>Right of Early Termination or Redemption:</b>	The Company has no right of early termination or redemption.
<b>Minimum Interest:</b>	$\text{RMB}200,000,000 \times 1.35\% \times 154/365 = \text{RMB}1,139,178$

## REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The products the Company subscribed under the Ninth Structured Deposit Product Agreement and the Tenth Structured Deposit Product Agreement are fully principal-guaranteed and with minimal risk which will provide a better return than the fixed-term deposits generally offered by PRC commercial banks. The Directors believe that the transactions thereunder will improve the effectiveness of using the Group's temporarily idle funds and obtain certain return. Accordingly, the Directors (including the independent non-executive Directors) are of the view that the terms of the Ninth Structured Deposit Product Agreement and the Tenth Structured Deposit Product Agreement were arrived at after the arm's length negotiation and the transactions contemplated thereunder are on normal commercial terms which are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

## LISTING RULES IMPLICATIONS

As the Ninth Structured Deposit Product Agreement and the Tenth Structured Deposit Product Agreement are entered into with the same bank and are of a similar nature, the transaction under the Ninth Structured Deposit Product Agreement shall be aggregated with that under the Tenth Structured Deposit Product Agreement pursuant to Rule 14.22 of the Listing Rules. As the highest of the applicable percentage ratios calculated according to Rule 14.07 of the Listing Rules in respect of the Ninth Structured Deposit Product Agreement and the Tenth Structured Deposit Product Agreement, on an aggregated basis, exceeds 5% but all of the applicable percentage ratios are less than 25%, the transactions constitute discloseable transactions for the Company and therefore subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

## INFORMATION OF THE PARTIES INVOLVED

### The Company

The Company is a vertically integrated power supplier and service provider in Yibin City, Sichuan Province, with a full power supply value chain covering power generation and electricity distribution and sales.

### Bank of Communications

Bank of Communications is a large-scale joint stock commercial bank in the PRC. Headquartered in Shanghai, it was listed on the Stock Exchange in June 2005 (stock code: 03328) and on the Shanghai Stock Exchange in May 2007 (stock code: 601328).

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Bank of Communications and its ultimate beneficial owners are third parties independent of the Group and its connected persons.

## DEFINITIONS

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

“Bank”	Sichuan Branch of the Bank of Communications
“Board”	the board of Directors
“Chairman”	the chairman of the Board
“Company”	Sichuan Energy Investment Development Co., Ltd.* (四川能投發展股份有限公司) (stock code: 01713), a company established in the PRC as a joint stock company with limited liability on 29 September 2011
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“Financial Products Agreements”	the eight agreements entered into between the Company and the Bank to subscribe the structured deposit products by the Company during the period from 25 January 2019 to 30 October 2019
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Ninth Structured Deposit Product Agreement ”	The Bank of Communication Yuntong Fortune Periodic Structured (Gold Linked) Product Agreement (《交通銀行蘊通財富定期型結構性存款(黃金掛鉤)產品協議》) entered into between the Company and the Bank on 2 January 2020 in a principal amount of RMB50,000,000 with a term of 91 days
“PRC”	the People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenth Structured Deposit Product Agreement ”	The Bank of Communication Yuntong Fortune Periodic Structured (Gold Linked) Product Agreement (《交通銀行蘊通財富定期型結構性存款(黃金掛鉤)產品協議》) entered into between the Company and the Bank on 2 January 2020 in a principal amount of RMB200,000,000 with a term of 154 days
“%”	per cent

By order of the Board  
**Sichuan Energy Investment Development Co., Ltd.**  
**Zeng Yong**  
*Chairman*

Chengdu, Sichuan Province, the PRC  
2 January 2020

*As at the date of this announcement, the executive Directors are Mr. Zeng Yong, Mr. Li Hui and Ms. Xie Peixi; the non-executive Directors are Ms. Han Chunhong, Ms. Li Yu, Mr. Wang Chengke and Mr. Zhou Yanbin; and the independent non-executive Directors are Mr. Kin Kwong Kwok Gary, Mr. Fan Wei, Ms. He Zhen and Mr. Wang Peng.*

\* For identification purposes only