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國電科技環保集團股份有限公司

GUODIAN TECHNOLOGY & ENVIRONMENT GROUP CORPORATION LIMITED*

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

(Stock code: 01296)

INSIDE INFORMATION

POTENTIAL DISPOSAL OF 70% EQUITY INTEREST IN A SUBSIDIARY THROUGH PUBLIC TENDER

The Board announces that Lucency, a subsidiary of the Company, intends to dispose of its 70% equity interest in Guodian Galaxy Water through the Public Tender to be conducted on the China Beijing Equity Exchange. The Pre-Listing Disclosure has been made after trading hours today on the website of the China Beijing Equity Exchange at <http://www.cbex.com.cn> in compliance with the relevant regulatory requirements in the PRC.

This announcement is made by Guodian Technology & Environment Group Corporation Limited (the “**Company**”) pursuant to Rule 13.09 of Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE POTENTIAL DISPOSAL THROUGH PUBLIC TENDER

The board of directors (the “**Board**”) of the Company announces that Beijing Lucency Environment and Technology Co., Ltd. (“**Lucency**”), a subsidiary of the Company, intends to dispose of its 70% equity interest in Guodian Galaxy Water Co., Ltd. (國電銀河水務股份有限公司) (“**Guodian Galaxy Water**”) through a public tender process (the “**Public Tender**”) to be conducted on the China Beijing Equity Exchange* (北京產權交易所) (the “**China Beijing Equity Exchange**”) (the “**Potential Disposal**”). Qingdao Galaxy Investment Co., Ltd. (青島銀河投資有限公司) (“**Galaxy Investment**”), the other shareholder of Guodian Galaxy Water, intends to dispose its 30% equity interest in Guodian Galaxy Water together with the Company. The base price for transfer of the 70% equity interest in Guodian Galaxy Water through the Public Tender will be determined based on the asset appraisal on Guodian Galaxy Water to be conducted by a qualified appraisal institution and subject to the approvals from relevant regulatory authorities of State-owned assets in the PRC.

According to the requirements under the relevant PRC laws and regulations, preliminary disclosure of information relating to the Potential Disposal is required to be made to the public (the “**Pre-Listing Disclosure**”) for not less than 20 working days prior to the commencement of the formal disclosure of the Public Tender. In compliance with such requirements, the Pre-Listing Disclosure has been made after trading hours today on the website of the China Beijing Equity Exchange at <http://www.cbex.com.cn>.

INFORMATION ABOUT THE COMPANY, LUCENCY AND GUODIAN GALAXY WATER

The Company and its subsidiaries are primarily engaged in the provision of integrated clean technology solutions and services within the PRC through its two main business segments, with established leading or dominant market positions in the environmental protection, energy conservation and renewable energy equipment manufacturing and related service industries in the PRC.

Lucency, a wholly-owned subsidiary of the Company, is a limited liability company established in PRC with a registered capital of RMB500 million. Its main business is zero discharge of wastewater and sewage treatment franchise operation.

Guodian Galaxy Water is a joint stock limited company established in PRC with a registered capital of RMB300 million, of which Lucency holds 70% equity interests and Galaxy Investment holds 30% equity interests. The main business scope of Guodian Galaxy Water includes sewage treatment, raw water supply, and tap water purification.

REASONS FOR THE POTENTIAL DISPOSAL

The Company intends to realize corporate transformation by disposing the equity interest in Guodian Galaxy Water, focusing on the water treatment and sewage treatment business in the industrial field such as mine water and coal chemical wastewater.

GENERAL

The Potential Disposal, if materialised, may constitute a notifiable transaction of the Company. The Board wishes to emphasise that as at the date of this announcement, the Company is not under any obligation to proceed with the Public Tender and the Public Tender may or may not happen. No binding agreement with respect to the Potential Disposal has been entered into by the Company as at the date of this announcement and there is no assurance that any definitive transaction will materialise. The Company will make further announcement(s) in compliance with the Listing Rules and/or Part XIVA of the SFO as and when appropriate or required.

As the Company may or may not proceed with the Public Tender and it may or may not enter into a binding agreement with respect to the Potential Disposal, and even if it decides to do so, the Potential Disposal may or may not proceed to completion for various reasons and accordingly, shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Guodian Technology & Environment Group Corporation Limited*
Mr. CHEN Dongqing
Chairman

Beijing, PRC, 7 August 2019

As at the date of this announcement, the executive Directors of the Company are Mr. Chen Dongqing, Mr. Zhang Jun and Mr. Tang Chaoxiong; the non-executive Directors are Mr. Wang Zhongqu, Mr. Zhang Wenjian, Mr. Gu Yuchun and Mr. Yan Andrew Y.; and the independent non-executive Directors are Mr. Shen Xiaoliu, Mr. Qu Jiuhui, Mr. Xie Qiuye and Mr. Yeung Chi Tat.

* *For identification purpose only*