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新特能源

XINTE ENERGY CO., LTD.

新特能源股份有限公司

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

(Stock Code: 1799)

VOLUNTARY ANNOUNCEMENT

BUSINESS UPDATE

ENTERING INTO THE STRATEGIC COOPERATION SALE AND PURCHASE AGREEMENT

This announcement is made by the board of directors (the “**Board**”) of Xinte Energy Co., Ltd. (the “**Company**”) together with its subsidiaries (the “**Group**”) on a voluntary basis to keep the shareholders of the Company and potential investors informed of the latest development of the Group.

On 28 January 2019, the Company and Xinjiang Xinte Crystal Silicon High-Tech Co., Ltd. (新疆新特晶體硅高科技有限公司) (“**Xinte Crystal Silicon**”), a subsidiary of the Company, entered into a strategic cooperation sale and purchase agreement (the “**Strategic Cooperation Sale and Purchase Agreement**”) with Wuhai Jingyuntong New Materials Technology Co., Ltd. (烏海市京運通新材料科技有限公司) (“**Wuhai Jingyuntong**”), a subsidiary of Beijing Jingyuntong Technology Co., Ltd. (北京京運通科技股份有限公司), which is an independent third party. Pursuant to the Strategic Cooperation Sale and Purchase Agreement, the Company and Xinte Crystal Silicon shall sell 32,000 tons of polysilicon in total to Wuhai Jingyuntong during the period from 28 January 2019 to 31 December 2021, and Wuhai Jingyuntong shall place orders to procure polysilicon on a monthly basis according to its needs, and the prices of the orders shall be determined each month with reference to the prevailing market prices through negotiations. Based on the average transaction price of dense polysilicon materials of RMB79,100/ton (including tax) which was announced by the Silicon Industry Branch of China Nonferrous Metals Industry Association (中國有色金屬工業協會硅業分會) in the fourth week of January 2019, the total sum under the Strategic Cooperation Sale and Purchase Agreement is expected to be approximately RMB2,531 million (including tax).

Wuhai Jingyuntong and its ultimate beneficial owner(s) are independent third parties of the Company and its connected persons. In addition, the transaction contemplated under the Strategic Cooperation Sale and Purchase Agreement is conducted in the ordinary course of business of the Company, and therefore does not constitute a notifiable transaction under Chapter 14 and a connected transaction under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board believes that the entering into of the Strategic Cooperation Sale and Purchase Agreement will facilitate the stable sales of polysilicon products in the Company's ordinary course of business, safeguard the daily operations of the Company, and is in line with the future development of the Group; it will also further enhance the Group's position in the new energy industry. The Board hereby declares that no forecast or estimate has been made on the Group's profit in relation to the entering into of the Strategic Cooperation Sale and Purchase Agreement.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Xinte Energy Co., Ltd.
Zhang Jianxin
Chairman

Xinjiang, the PRC
28 January 2019

As at the date of this announcement, the Board of the Company consists of Mr. Zhang Jianxin, Mr. Yin Bo and Mr. Xia Jinjing as executive directors; Mr. Zhang Xin, Ms. Guo Junxiang and Mr. Lin Chengfei as non-executive directors; and Mr. Qin Haiyan, Mr. Yang Deren and Mr. Wong, Yui Keung Marcellus as independent non-executive directors.