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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 POLYSILICON SALES FRAMEWORK 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 and potential investors of the Company informed of the latest development of the Group.

On 14 December 2020, the Company, entered into a raw polysilicon materials sales framework agreement (the “**Polysilicon Sales Framework Agreement**”) with Yinchuan LONGi Silicon Materials Co., Ltd.* (銀川隆基硅材料有限公司), Ningxia LONGi Silicon Materials Co., Ltd.* (寧夏隆基硅材料有限公司), Lijiang LONGi Silicon Materials Co., Ltd.* (麗江隆基硅材料有限公司), Huaping LONGi Silicon Materials Co., Ltd.* (華坪隆基硅材料有限公司), Yinchuan LONGi Solar Technology Co., Ltd.* (銀川隆基光伏科技有限公司), Qujing LONGi Silicon Materials Co., Ltd.* (曲靖隆基硅材料有限公司) and Tengchong LONGi Silicon Materials Co., Ltd.* (騰沖隆基硅材料有限公司) (collectively referred to as the “**LONGi Group Subsidiaries**”), all being subsidiaries of LONGi Green Energy Technology Co., Ltd.* (隆基綠能科技股份有限公司) (“**LONGi Group**”), a joint stock company listed on the Shanghai Stock Exchange (stock code: 601012). Pursuant to the Polysilicon Sales Framework Agreement, the Company shall sell no less than 270,000 tons of raw polysilicon materials to the LONGi Group Subsidiaries during the period from January 2021 to December 2025, and the LONGi Group Subsidiaries shall individually place orders to procure raw polysilicon materials on a monthly basis according to each of their respective needs, and the price of the orders shall be determined through monthly negotiations. Based on the average transaction price of dense monocrystalline materials of RMB80,500/ton (including tax) 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) on 9 December 2020, the total transaction amount under the Polysilicon Sales Framework Agreement is expected to be RMB19.235 billion (excluding tax).

After the Polysilicon Sales Framework Agreement is effective, the contractual volumes for 2021 under the polysilicon sales framework agreement (the “**Original Agreement**”) entered into by the LONGi Group Subsidiaries, 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), a subsidiary of the Company, on 27 July 2018 will no longer be in force. For details of the Original Agreement, please refer to the Company’s announcement dated 27 July 2018.

Based on publicly available records and to the best knowledge of the Board having made due inquiries, the ultimate beneficial owners of LONGi Group are Mr. Li Zhenguo and Ms. Li Xiyan, both of whom and the LONGi Group Subsidiaries are independent of the Company and the connected persons of the Company. In addition, the above transaction is conducted in the ordinary course of business of the Company, and therefore does not constitute a notifiable transaction under Chapter 14 or 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 Polysilicon Sales Framework 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 development strategy of the Group, which 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 Polysilicon Sales Framework Agreement.

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

Xinjiang, the PRC
14 December 2020

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. Qin Xiaodong as non-executive directors; and Mr. Qin Haiyan, Mr. Yang Deren and Mr. Wong, Yui Keung Marcellus as independent non-executive directors.

* *For identification purpose only*