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POWER XINCHEN

新 晨 动 力

XINCHEN CHINA POWER HOLDINGS LIMITED

新 晨 中 國 動 力 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1148)

**VOLUNTARY ANNOUNCEMENT –
UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS**

The announcement is made by Xinchen China Power Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company has noted today’s increase in the trading price and volume of the shares of the Company (the “**Movements**”).

Having made such enquiry with respect to the Company as may be reasonable in the circumstances, the Board confirms that save as disclosed in this announcement, it is not aware of any reasons for the Movements or of any information which must be announced to avoid a false market in the Company’s securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement (the “**Announcement**”) of the Company dated 12 April 2022, in which the Company disclosed, among other things, that the Borrowers (as defined in the circular (the “**Circular**”) of the Company dated 30 July 2021) had entrusted Shenyang Asset Exchange (as defined in the Announcement) with the Mortgaged Assets Public Listing Process (as defined in the Circular) for the proposed disposal of the Mortgaged Assets (as defined in the Circular). As at the date of this announcement, BBA (as defined in the Circular) has been identified as the winning bidder under the Mortgaged Assets Public Listing Process and is in the course of finalising with the Borrowers the formal asset purchase agreement (the “**Asset Purchase Agreement**”) for the sale and purchase of the Mortgaged Assets and the formal lease agreement (the “**Lease Agreement**”) for the lease-back of the Mortgaged Assets to the Group. It is expected that the transactions contemplated under the Asset Purchase Agreement and the Lease Agreement (when executed) will constitute notifiable transactions for the Company under Chapter 14 of the Listing Rules (as defined in the Circular). Further announcement(s) will be made by the Company as and when appropriate.

Notwithstanding the above, the Board is not in a position to opine whether the above information contributed to the Movements.

This announcement is made by the order of the Board. The Board collectively and individually accepts responsibility for the accuracy of this announcement.

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

By the order of the Board
Xinchen China Power Holdings Limited
Wu Xiao An
(also known as Ng Siu On)
Chairman

Hong Kong, 17 May 2022

As at the date of this announcement, the Board comprises two executive Directors, Mr. Wu Xiao An (also known as Mr. Ng Siu On) (Chairman) and Mr. Wang Yunxian (Chief Executive Officer); two non-executive Directors, Mr. Han Song and Mr. Yang Ming; and three independent non-executive Directors, Mr. Chi Guohua, Mr. Wang Jun and Mr. Huang Haibo.