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CENTRAL HOLDING GROUP CO. LTD.

中環控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1735)

VOLUNTARY ANNOUNCEMENT IN RELATION TO THE ENTERING INTO OF A STRATEGIC COOPERATION AGREEMENT

This announcement is made by Central Holding Group Co. Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 11 May 2023 (after trading hours), Zhonghuan Zhongqing (Anhui) New Energy Photovoltaic Technology Co., Ltd.* (中環中清(安徽)新能源光伏科技有限公司) (“**Zhonghuan Zhongqing**”), an indirect wholly-owned subsidiary of the Company, and State Power Investment Corporation Anhui Electricity Co., Ltd.* (國家電投集團安徽電力有限公司) (“**Anhui Electricity**”) (collectively, the “**Parties**”, and each a “**Party**”) entered into a strategic cooperation agreement (the “**Agreement**”).

THE AGREEMENT

Pursuant to the Agreement, the Parties intend to, based on the principles of “complementary advantages, long-term cooperation”, “market domination, mutual support” and “mutual benefit, common development”, carry out extensive and in-depth cooperation to promote joint development in the fields of clean energy and integrated smart energy, technical services and supply chain, as well as county-level market development.

The Agreement will be valid for 3 years after signing of the Agreement, unless otherwise terminated by the Parties in writing. Mode of their cooperation is set out below:

- (a) In order to leverage the competitive advantages of Anhui Electricity in the electricity generation industry and in particular, its leading role with influence in the clean energy industry, the Parties will place focus on, among others, carrying out extensive cooperation in developing new energy power stations in Huainan and Chuzhou as well as obtaining competitive resources, based on the “clean, low-carbon, safe and efficient” development strategy. In this relation, each Party will, upon the same conditions, give priority to the other Party to be its cooperation partner. In particular, subject to compliance with national laws and regulations as well as the relevant requirements of the SPIC (as defined below) group, Anhui Electricity may, upon the same conditions, give priority to recommending the purchase of photovoltaic equipment products

manufactured by Zhonghuan Zhongqing. While Zhonghuan Zhongqing will, in accordance with its strategic development layout plan in the industry, launch industrial project(s) by taking advantage of relevant local preferential policies and fully leveraging its scale of operations and technical strength in the manufacturing industry, and cooperate with Anhui Electricity to coordinate with local government authorities for clean energy project resources and then develop clean energy project(s).

- (b) Anhui Electricity will, based on the energy utilisation needs of the industrial park of Zhonghuan Zhongqing and fully leveraging its industrial and technical strength in the integrated smart energy sector, carry out the development of integrated smart energy project(s) and provide multi-functional and complementary integrated intelligent operation energy services. While Zhonghuan Zhongqing will, through its influence in the industrial development layout plan, cooperate with Anhui Electricity to commence development of the county-level markets and the integrated smart energy markets, as well as support and assist Anhui Electricity in formulating strategies in relation to province-level integrated smart power stations to explore cooperation opportunities in, among others, emerging industries.
- (c) The Parties will carry out cooperation in areas including technical support for and, optimisation of preliminary design of, project(s) as well as enhancement of power plant efficiency. In particular, Zhonghuan Zhongqing will provide advanced integrated solutions and optimisation services for project(s) based on its research and development results in the photovoltaic industry, and jointly carry out research work with Anhui Electricity to enhance the quality and efficiency of photovoltaic power plant(s).
- (d) The Parties will carry out in-depth strategic cooperation in the field of supply chain. In particular, the Parties will carry out extensive cooperation in areas including application of equipment, inspection and maintenance as well as technical support.
- (e) The Parties will form a joint venture company to carry out development and construction of project(s) including major photovoltaic base in Fengtai County, ground mounted centralised photovoltaic project(s), distributed new energy project(s) and integrated smart energy project(s), when such project(s) are launched.

INFORMATION ON ANHUI ELECTRICITY

To the best knowledge of the Directors, Anhui Electricity, a company established in the People's Republic of China, is a direct wholly-owned subsidiary of China Power International Development Limited (“**CPIDL**”, whose shares are currently listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 2380)), while CPIDL is ultimately owned by State Power Investment Corporation Limited* (國家電力投資集團有限公司) (“**SPIC**”). Anhui Electricity, being a regional leading unit of SPIC in Anhui Province, is responsible for the overall planning and coordination for the business, operations and development of SPIC in Anhui Province, mainly in clean energy business, provision of integrated energy services and power distribution business.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Anhui Electricity and its ultimate beneficial owners are independent third parties not connected with the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")).

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT

The Board believes that the strategic cooperation as contemplated and outlined in the Agreement will allow the Group to leverage its experience and capabilities in the new energy photovoltaic products market. The Board also believes that the strategic cooperation may expand the Group's business opportunities as well as realise the green photovoltaic integrated business of the Group, broaden its income sources and enhance its financial performance. Thus, the Board considers the strategic cooperation with Anhui Electricity will be beneficial to the future growth of the Group, and will be in the interests of the Company and its shareholders as a whole.

The Board wishes to state that no forecast or prediction of the profits of the Group has been made with regard to the Agreement.

Shareholders and potential investors should note that the Agreement merely provides a strategic cooperation framework between the Group and Anhui Electricity. The terms of the cooperation contemplated under the Agreement are subject to the terms of any definitive agreement which Zhonghuan Zhongqing and Anhui Electricity (or their respective designated parties) may subsequently enter into from time to time. Meanwhile, the management of the Parties, after signing of the Agreement, will from time to time communicate and negotiate with each other as to any potential cooperation in certain major project(s), and a working committee will be set up to implement any specific project arising from the cooperation contemplated under the Agreement.

Further announcement(s) will be made by the Company as and when appropriate in accordance with the Listing Rules.

By Order of the Board
Central Holding Group Co. Ltd.
Yu Zhuyun
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 11 May 2023

As at the date of this announcement, the executive Directors are Mr. Yu Zhuyun (Chairman and Chief Executive Officer) and Mr. Li Menglin; the non-executive Directors are Mr. Qiao Xiaoge and Ms. Zhu Yujuan; and the independent non-executive Directors are Dr. Li David Xianglin, Mr. Wang Wenxing and Dr. Zhou Chunsheng.

* *For identification purposes only*