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JINTAI ENERGY HOLDINGS LIMITED

金泰能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2728)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO 2022 ANNUAL REPORT

Reference is made to the annual report for the year ended 31 December 2022 (the “**2022 Annual Report**”) of Jintai Energy Holdings Limited (the “**Company**”). Terms used herein shall have the same meanings as defined in the 2022 Annual Report unless otherwise stated.

In note 20 (*interest in an associate*) to the consolidated financial statements on page 120 of the 2022 Annual Report, a carrying amount of the Group’s interest in Genting (Xinjiang) Petroleum and Gas Development Co., Ltd. (“**Genting Xinjiang**” or “**PRC Company**”) in the sum of HK\$128,866,000 is recorded.

This announcement is to give information on the background leading to the establishment of the PRC Company in mid-2022 and the views of the audit committee (“**Audit Committee**”) of the Company on the accounting treatment of the PRC Company in the annual results of the Company for the year ended 31 December 2022 and as disclosed in the 2022 Annual Report. The PRC Company was disposed of by the Group on 15 June 2023.

BACKGROUND LEADING TO THE ESTABLISHMENT OF THE PRC COMPANY

In mid-2022, to facilitate the growth and expansion of the energy business of the Company, the Company sought cooperation with Party B and Party C. Each of Party B and Party C is an independent third party not connected with the Company within the meaning of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

The Company's initial discussions with Party B and Party C did not touch on the details of the cooperation, except that, as a starting point, a vehicle should be established as a platform to sound out potential business opportunities, and accordingly, the PRC Company was established. From a commercial perspective, the PRC Company was established in case potential business opportunities arose before the parties could agree on the details of their cooperation.

The PRC Company had a registered capital of RMB250,000,000 with the Company as its 45% registered shareholder, which was equivalent to RMB112,500,000, that is, approximately the carrying amount of HK\$128,866,000 recorded in the Company's financial statements for the year ended 31 December 2022.

In late 2022, after the establishment of the PRC Company, the Company paid an amount of RMB100 million into the bank account of the PRC Company. The bank account was under the control of the Company and the fund was intended to be used as fund proof to potential business counterparts.

Apart from the RMB100 million deposited by the Company into the bank account of the PRC Company, neither Party B nor Party C has at any stage made any contribution to the PRC Company. No formal agreement of any nature has even been signed or any terms of that nature has ever been agreed among the Company, Party B and Party C.

The PRC Company did not have a board of director, but only one director, who was nominated by the Company. The director had never exercised any executive functions in that position since the cooperation envisaged to be carried out under the PRC Company was still at an exploratory stage.

By the end of the first quarter of 2023, no business opportunity was forthcoming, and thus the Company started to transfer the RMB100 million out of the PRC Company's bank account, and by March 2023 the transfer out of the RMB100 million has taken place in full.

VIEWS OF THE AUDIT COMMITTEE

The Audit Committee, during its discussions with the auditors on the basis of assessing the Company's accounting treatment in interest in the PRC Company as "an interest in an associate", noted that (i) the Company had the sole control of the bank account of the PRC Company; and (ii) there was only one director in the PRC Company who was nominated by the Company.

The Audit Committee also noted that (a) the auditors had assessed that what gave rise to the effect in compliance with relevant accounting standards in (i) and (ii) above was the PRC Company's appointment of the only director nominated by the Company; and (b) the auditors had, also assessed that, in view of the background leading to the establishment of the PRC Company and the Company's intention to use the RMB100 million as fund proof, the appropriateness in compliance with relevant accounting standards of which the PRC Company's appointment of the only director nominated by the Company was simply an interim measure which enabled the Company to safeguard the RMB100 million fund proof money until such time when all of the shareholders of the PRC Company had contributed funds to the PRC Company, whereupon all of them would have duties to participate in the policy-making processes of the PRC Company which included participating in decisions

about business strategy and investment plan, appointment or change of director, or dividends and other distributions in accordance with the terms of the Article of Association of the PRC Company.

Having regard to all the above assessments performed by the auditors, the Audit Committee agrees with the Company's accounting treatment of the Company's interest in the PRC Company as "an interest in an associate", rather than a subsidiary.

PRC COMPANY WILL NOT BE ACCOUNTED FOR IN THE GROUP'S FINANCIAL RESULTS GOING FORWARD

With the transfer out of the RMB100 million from the bank account of the PRC Company having taken place in full in March 2023 and the disposal of the PRC Company to an independent third party at nominal costs in June 2023, the PRC Company will no longer be accounted for in the Group's interim financial results, expected to be published in August 2023, and any subsequent financial results.

The above supplemental information does not affect other information contained in the 2022 Annual Report. Save as supplemented above, all other information in the 2022 Annual Report remains unchanged.

By Order of the Board
Jintai Energy Holdings Limited
Yuan Hongbing
Chief Executive Officer and Executive Director

Hong Kong, 28 July 2023

As at the date of this announcement, the Company has two executive Directors, namely Mr. Han Jinfeng (Chairman of the Board) and Mr. Yuan Hongbing (Chief Executive Officer), one non-executive Director, namely Mr. Chen Yunwei, and three independent non-executive Directors, namely, Mr. Tche Heng Hou Kevin, Mr. Mak Tin Sang and Mr. Jiang Hao.