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## CHINA HK POWER SMART ENERGY GROUP LIMITED

### 中國港能智慧能源集團有限公司

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 931)**

### VOLUNTARY ANNOUNCEMENT GRANT OF PRIVATE SHARE OPTIONS BY THE MAJOR SHAREHOLDER TO NINE EXECUTIVES OF THE COMPANY

This announcement is made by China HK Power Smart Energy Group Limited (the “**Company**”) on a voluntary basis.

The board (the “**Board**”) of directors (“**Directors(s)**”) of the Company was informed by Dr. Kan Che Kin, Billy Albert (“**Dr. Kan**”), an executive Director, the chairman of the Board and the major shareholder (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company, that on 9 December 2023 (“**Date of Grant**”), Dr. Kan has granted a total of 1,096,000,000 options to nine members of the new management of the Company to subscribe for shares of the Company owned by him privately (the “**Private Share Options**”), representing approximately 19.08% of the total shares of the Company in issue as at the date of this announcement. Biographical details of each member of the new management team are set out in the announcement of the Company dated 2 October 2023.

Dr. Kan advised the Company that the Private Share Options were granted at a conversion price of HK\$0.36 per share, representing:

- (i) a discount of approximately 17.24% to the closing price of HK\$0.435 per share as quoted on the Stock Exchange on the last trading day of the shares before the Date of Grant; and
- (ii) a discount of approximately 17.05% to the average closing price of HK\$0.434 per share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the Date of Grant.

The Private Share Options are split between conditional options and unconditional options in order to demonstrate their faith in the long-term value and future prospects of long-term development of the Company. The entitlement of the number of yearly option shares under conditional options are depends upon meeting specific performance of the annual results of the Company as at 31 March 2025 to 31 March 2029 (“**Results Undertaking**”), accordingly, execution of the conditional option shares are yearly on 1 October 2025 to 2029. Without any prejudice to the Results Undertaking, each member of the new management team has been granted unconditional option shares, execution of the unconditional options commences from 1 October 2029. In addition, specific terms are attached on the number of executed option shares that are sellable for the period from 1 October 2027 to 31 December 2034.

Details of the Private Share Options granted by Dr. Kan to individual members of the new management team are set out below:

<b>Name of the grantee</b>	<b>Capacity</b>	<b>Number of Private Share Options granted</b>
Mr. Deng Yaobo	Executive Director and Chief Executive Officer	700,000,000
Mr. Rui Qin	Vice President	52,000,000
Mr. Deng Yongbo	Vice President	52,000,000
Mr. Liu Yongtao	Vice President	52,000,000
Mr. Lan Hai	Joint Financial Controller	47,000,000
Mr. Tong Aiguo	Marketing General Manager	52,000,000
Mr. Zhu Ruilong	General Manager of Administration	47,000,000
Mr. Qian Hao	General Manager of Natural Gas Business	47,000,000
Mr. Yu Chengjun	Deputy General Manager of New Energy Business	47,000,000
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		1,096,000,000
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Immediately before the grant of Private Share Options, pursuant to the Securities and Futures Ordinance, Dr. Kan was interested in 3,386,433,139 shares of the Company, representing approximately 58.96% of the total issued share capital of the Company. Immediately after the completion of execution of Private Share Options as contemplated under the Results Undertakings and the unconditional options, assuming there will be no change in the total number of shares in issue from the date of the announcement to the date of completion the execution of Private Share Options, Dr. Kan will be interested in 2,290,433,139 shares of the Company, representing approximately 39.88% of the total issued share capital of the Company. As at the date of this announcement and immediately upon completion of execution of Private Share Options as contemplated under the Results Undertakings and the unconditional options, Dr. Kan remains and will remain the major shareholder of the Company.

Assuming there is no change in the issued share capital of the Company from the date of the announcement to the date of the completion of execution of Private Share Options arrangement, there will be no change to the control of the Company. No member, together with parties acting in concert (as such term is defined in the Takeovers Code) with such members, will, immediately upon completion of the execution of Private Share Options, hold 30% or more of the total issued share capital of the Company or otherwise trigger a mandatory general offer under Rule 26.1 of the Takeovers Code in respect of the shares of the Company. The Company will make further announcement(s) on the exercise of Private Share Options as and when appropriate in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

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

By order of the Board  
**China HK Power Smart Energy Group Limited**  
**Kan Che Kin, Billy Albert**  
*Chairman*

Hong Kong, 11 December 2023

*As at the date of this announcement, the Board comprises three executive Directors, namely Dr. Kan Che Kin, Billy Albert (Chairman), Mr. Deng Yaobo (chief executive officer) and Mr. Li Kai Yien, Arthur Albert; and three non-executive Directors, namely Dr. Lam, Lee G., Mr. Simon Murray and Mr. Xiao Cong; and three independent non-executive Directors, namely Mr. Li Siu Yui, Mr. Chow Ching Ning and Mr. Lam Lum Lee.*