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CHINA HUARONG ENERGY COMPANY LIMITED

中國華榮能源股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01101)

SUPPLEMENTAL ANNOUNCEMENT QUARTERLY UPDATE ON RESUMPTION PROGRESS

This announcement is made by China Huarong Energy Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”) and Rule 13.09 of the Listing Rules.

Reference is made to the announcements (the “**Announcements**”) of the Company dated 26 March 2025, 1 April 2025, 17 April 2025, 9 May 2025, 23 June 2025 and 30 June 2025, respectively, in relation to, among other things, the delay in publication of the 2024 Annual Results, the suspension of trading in the Company’s shares and non-compliance with Rules 3.10(1) and 3.21 of the Listing Rules. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

UPDATE ON RESUMPTION PROGRESS

The Board wishes to provide the Shareholders and potential investors of the Company with the following updates on the Company’s resumption progress as at the date of this announcement.

2024 Annual Results and 2024 Annual Report

As disclosed in the announcements of the Company dated 26 March 2025, 9 May 2025 and 30 June 2025, the delay in the publication of the 2024 Annual Results was primarily attributable to the late commencement of the audit and other related professional engagements, which was in turn caused by the delayed settlements of outstanding audit and other services fees due to certain foreign exchange controls implemented in the PRC and Kyrgyz.

Since the last announcement and up to the date of this announcement, the Company has arranged additional payment of audit and other fees to facilitate the progress of annual report preparation.

As at the date of this announcement, the 2024 Audit is in progress and the Company is

Actively cooperating with the auditor in the preparation of the 2024 Annual Results. According to the Company's management, certain audit procedures remain outstanding, including:

- a) The auditor's review of two valuation reports. The valuation reports are primarily related to the Company's assessment of going concern. Outstanding audit procedures are focused on the review of these reports, which assess the recoverable value of the non-current assets of the Kyrgyz oil operation and the goodwill of the oil storage business in China.
- b) The receipt of certain external confirmations. External confirmations that are pending involve debts owed to third parties. We have coordinated with our auditors to implement alternative procedures to address these outstanding confirmations.

The delays in the above matters were again caused by the delay in paying professional fees. With the further payments as mentioned above, these outstanding matters are expected to be completed by mid-August 2025.

Based on the current progress of the above matters, it is expected that the Company will publish the 2024 Annual Results on or before 25 August 2025, subject to the Company's ability to pay the outstanding professional fees, especially the audit fees required by the auditor, to finalize the audit report. The fund is being procured from the Company's subsidiaries in China mainland, which is subject to strict foreign exchange controls.

The Company will publish further announcement(s) to inform its Shareholders of the progress of the 2024 Audit and the expected date of the publication of the 2024 Annual Report as and when appropriate.

Other updates

Reference is made to the announcements of the Company dated 17 April 2025 and 18 July 2025. Following the resignation of Mr. Lam Cheung Mau which took effect from 19 April 2025, the number of independent non-executive Directors has fallen below three as required under Rule 3.10(1) of the Listing Rules. Furthermore, the Audit Committee only comprises two independent non-executive Directors, which fails to comply with the minimum number of three members as required under Rule 3.21 of the Listing Rules.

Over the past few months, the Company has been actively searching for potential candidates with the appropriate professional qualifications or accounting or related financial management expertise to fill the vacancy of an independent non-executive director and the Audit Committee by referral in Hong Kong. It has reached out to its executive directors, senior management and professional advisers for referral of suitable candidates with the necessary qualifications and/or expertise. However, given the complexity of the Company's restructuring process and the Company's current financial performance, potential candidates are difficult to come by, despite the Company's best efforts. As the date of this announcement, no potential candidate has been identified.

Given the difficulties in identifying suitable candidates for the vacancy, the Company intends to expand its search to the PRC. The expansion of search to the PRC will allow the Company to access a greater pool of talents who possess the necessary qualifications required under the Listing Rules and are familiar with the major business segment of the Company.

The Board will make its best endeavours to identify a suitable candidate to fill the vacancy as soon as practicable and before 30 September 2025 to meet the above requirements. The Company will make further announcement as soon as practicable after the appointment of the new independent non-executive Director.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2025 and will continue to be suspended until further notice. Further announcement(s) will be made by the Company as and when appropriate and in accordance with the requirements of the Listing Rules to keep its shareholders and potential investors informed of the latest progress in complying with the Resumption Guidance.

Shareholders and potential investors are reminded to exercise caution when dealing in the shares of the Company.

By order of the Board
China Huarong Energy Company Limited
NIU Jianmin
Chairman

Hong Kong, 28 July 2025

As at the date of this announcement, the directors of the Company are:

Executive directors:

Mr. NIU Jianmin (Chairman), Mr. HONG Liang and Ms. ZHU Wen Hua.

Independent non-executive directors:

Mr. WANG Jin Lian and Ms. ZHOU Zhan.