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Hebei Yichen Industrial Group Corporation Limited*
河北翼辰實業集團股份有限公司

(A joint stock limited liability company incorporated in the People's Republic of China)

(Stock Code: 1596)

VOLUNTARY ANNOUNCEMENT

MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE ACQUISITION OF INTEREST IN ELECTRICITY BUSINESS

This voluntary announcement is made by Hebei Yichen Industrial Group Corporation Limited* (the "**Company**") to provide the shareholders of the Company (the "**Shareholders**") and potential investors with updates on the latest business development of the Company.

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to announce that on 6 August 2025, the Group, as potential purchaser, entered into a memorandum of understanding (the "**MOU**") with certain registered shareholders (the "**Potential Vendors**") of a company (the "**Target Company**") established in the People's Republic of China (the "**PRC**") in relation to potential sale and purchase of equity interest in the Target Company. The Target Company is principally engaged in electricity trading business in Gaocheng District, Shijiazhuang City, Hebei Province, the PRC, with its subsidiaries principally engaged in electricity supply and construction businesses respectively. The Potential Vendors comprise individuals who are controlling shareholders (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) of the Company.

Under the MOU, it is contemplated, among other things, that the Company will conduct further due diligence in relation to the Target Company and its subsidiaries, and negotiate with the Potential Vendors on the transaction terms with a view to entering into a formal agreement. The MOU came into effect forthwith upon signing and will expire on 31 December 2025.

The MOU does not constitute a legally binding agreement between the parties in relation to the proposed transaction or its terms or arrangements, or the entering into of any formal agreement. Save as aforesaid, the other provisions in the MOU (such as the provisions relating to rights of due diligence, confidentiality, costs and term of the MOU) are legally binding on the parties thereto.

The Company will make further announcement(s) in respect of the proposed transaction as and when appropriate in accordance with the requirements under the Listing Rules.

The Board wishes to emphasise that no binding agreement in relation to the proposed transaction has been entered into as at the date of this announcement. Accordingly the proposed transaction may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Hebei Yichen Industrial Group Corporation Limited*
ZHANG Haijun
Chairman

Shijiazhuang, The PRC, 6 August 2025

As at the date of this announcement, the Board comprises Mr. Zhang Haijun, Mr. Wu Jinyu, Mr. Zhang Chao, Mr. Zhang Lihuan and Ms. Ma Xuehui as executive Directors; Ms. Zheng Zhixing as a non-executive Director; and Mr. Jip Ki Chi, Mr. Wang Fuju and Mr. Zhang Liguo as independent non-executive Directors.

* *For identification purpose only*