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新特能源

XINTE ENERGY CO., LTD.

新特能源股份有限公司

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

(Stock code: 1799)

CONNECTED TRANSACTION IN RELATION TO THE DEEMED DISPOSAL OF EQUITY INTEREST IN THE TARGET COMPANY UNDER THE CAPITAL INJECTION AGREEMENT

CAPITAL INJECTION AGREEMENT

On 12 September 2025, the Company, Inspection Company, Tianchi Energy and the Target Company entered into the Capital Injection Agreement, pursuant to which, Tianchi Energy agreed to inject RMB35 million with monetary funds to the Target Company as its registered capital. Upon completion of the Capital Injection, the Group and Tianchi Energy will hold 61% and 39% of the equity interest of the Target Company, respectively, and the Target Company will continue to be a subsidiary of the Company and its financial statements will continue to be consolidated into the financial statements of the Group.

LISTING RULES IMPLICATIONS

Upon completion of the Capital Injection, the equity interest in the Target Company held by the Group will be reduced from 100% to 61%. Therefore, the Capital Injection will constitute a deemed disposal under Chapter 14 of the Listing Rules.

As at the date of this announcement, Tianchi Energy is a subsidiary of TBEA, while TBEA directly and indirectly holds approximately 66.61% of the total issued share capital of the Company and is thus the controlling shareholder of the Company. As such, Tianchi Energy is a connected person of the Company and the Capital Injection Agreement and the transaction contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the transaction contemplated under the Capital Injection Agreement exceeds 0.1% but is less than 5%, the transaction contemplated under the Capital Injection Agreement is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from independent shareholders' approval requirement.

CAPITAL INJECTION AGREEMENT

On 12 September 2025, the Company, Inspection Company, a wholly-owned subsidiary of the Company, Tianchi Energy and the Target Company entered into the Capital Injection Agreement, pursuant to which, Tianchi Energy agreed to inject RMB35 million with monetary funds to the Target Company as its registered capital. Upon completion of the Capital Injection, the Group and Tianchi Energy will hold 61% and 39% of the equity interest of the Target Company, respectively.

The principal terms of the Capital Injection Agreement are summarized as follows:

Date: 12 September 2025

Parties: (a) the Company
(b) Inspection Company
(c) Tianchi Energy
(d) Target Company

Capital Injection: Tianchi Energy agreed to inject RMB35 million to the Target Company with monetary funds to acquire RMB35 million of the new registered capital of the Target Company at a price of RMB1 for each registered capital of RMB1.

The shareholding structure of the Target Company before and after completion of the Capital Injection is set out as follows:

Shareholder	Immediately before completion of the Capital Injection		Immediately after completion of the Capital Injection	
	Subscribed capital contribution (RMB0'000)	Subscribed capital contribution ratio (%)	Subscribed capital contribution (RMB0'000)	Subscribed capital contribution ratio (%)
The Company	5,100.00	91.89	5,100.00	56.35
Inspection Company	450.00	8.11	450.00	4.97
Tianchi Energy	—	—	3,500.00	38.67
Total	<u>5,550.00⁽¹⁾</u>	<u>100.00</u>	<u>9,050.00</u>	<u>100.00</u>

Notes: (1) As of the date of this announcement, none of the shareholders has paid up their capital contributions.

(2) The percentages in the above table have been adjusted by rounding, and any discrepancies between the totals and the arithmetic sums of the figures listed are due to rounding.

Corporate governance: Upon completion of the Capital Injection, the board of directors of the Target Company will consist of three directors, among them two and one directors shall be appointed by the Company and Tianchi Energy, respectively.

Procedures for the Capital Injection: After the Capital Injection Agreement becomes effective, the Target Company will issue a payment notice to each shareholder based on its capital needs, and each shareholder shall remit the capital contribution into the Target Company's bank account as required.

Upon completion of the Capital Injection, the Target Company shall amend its articles of association as agreed and complete the registration of register of members, change of registered capital, change of articles of association and other industrial and commercial registration procedures within 30 business days after the Capital Injection Agreement becomes effective.

FINANCIAL IMPACT OF CAPITAL INJECTION AND THE DEEMED DISPOSAL AND USE OF PROCEEDS

Upon completion of the Capital Injection, equity interest in the Target Company held by the Group will be reduced from 100% to 61%. This will not result in the loss of control by the Group over the Target Company, and the Target Company will continue to be a subsidiary of the Company and its financial statements will continue to be consolidated into the Group's consolidated financial statements.

The Group's total assets will increase by RMB35 million as a result of the Capital Injection, which will not result in any gains or losses to be recorded in the Group's consolidated income statement. The overall impact on the Group's future earnings will depend on the economic benefits generated by the Target Company's commercialization of its technological achievements.

The Target Company intends to use the proceeds from the Capital Injection for the research and innovation expenses on silicon-based materials and related industry chains.

INFORMATION ON THE TARGET COMPANY

The Target Company is a company incorporated in the PRC with limited liability on 22 November 2019 and a wholly-owned subsidiary of the Company as at the date of this announcement.

The Target Company is established for the purpose of conducting scientific and technological research and development work, and its main business is the research and development and service of silicon-based material technology. The following table sets forth the Target Company's financial information for the following periods:

	For the year ended 31 December 2024 (Audited) RMB (0,000)	For the year ended 31 December 2023 (Audited) RMB (0,000)
Operating income	— ⁽¹⁾	— ⁽¹⁾
Net profit/loss before tax (net loss is presented as “-”)	180.45 ⁽²⁾	-85.59
Net profit/loss after tax (net loss is presented as “-”)	149.52 ⁽²⁾	-85.57

Notes: (1) As the Target Company has not yet realized operating income through commercialization of its technological achievements, it has not generated any operating income.

(2) The Target Company received government subsidies related to income in 2024 and recognized the income.

As at 30 June 2025, the unaudited total assets and net assets of the Target Company approximately amounted to RMB5.18 million and RMB1.10 million, respectively.

INFORMATION ON THE PARTIES

The Company is an industry leader in the manufacturing of polysilicon as well as in the development and operation of wind and PV power resources. Its principal businesses include the production of polysilicon and the provision of engineering and construction contracting and operating services for PV and wind power projects. The Company is also engaged in the manufacturing of supporting equipment (mainly inverter, flexible direct current transmission converter valve and static VAR generators).

Inspection Company is a company incorporated in the PRC with limited liability on 21 March 2013 and a wholly-owned subsidiary of the Company as at the date of this announcement. The principal business of Inspection Company is the provision of inspection and testing services including PV product testing and environmental monitoring, etc.

Tianchi Energy is a company incorporated in the PRC with limited liability on 29 November 2002. As at the date of this announcement, Tianchi Energy registered capital amounted to RMB10 billion, and TBEA directly holds 85.78% of its equity interest. The principal businesses of Tianchi Energy are the mining and sales of coal, generation and sales of electricity and heat.

REASONS AND BENEFITS FOR THE CAPITAL INJECTION

Tianchi Energy owns a state-approved open-pit coal mine. It has long been committed to the mining and sales of coal, and green development and transformation of coal resources, and has built an industrial chain integrating coal, coal-fired power, industrial silicon, and logistics and transportation. Tianchi Energy continues to carry out scientific research on the difficulties and industrial application of cutting-edge technologies in coal mining, coal-fired power generation and coal chemical industry. It has established multi-level and dimensional scientific research platforms such as application laboratories and innovation research centers, and is committed to leading the new direction of energy conservation, intelligence and environmental protection in the energy mining and transformation industry.

Tianchi Energy injecting capital to the Target Company can fill the Target Company's scientific research practice gaps in industries such as coal and industrial silicon, and will be conducive to promoting collaborative innovation between upstream and downstream of the "coal-electricity-silicon-new energy" industrial chain. At the same time, it can fully draw on Tianchi Energy scientific research results in the fields of intelligent manufacturing, energy conservation and emission reduction, coal blending combustion, etc., to achieve complementary advantages in key common technologies and industrialization, broaden the research boundaries and application scenarios of scientific research results of the Target Company's research team, and continuously improve the Target Company's capabilities to address technical bottlenecks and conduct comprehensive research, helping the Group to drive industrial upgrading through technological innovation, increase core competitiveness and promote high-quality development.

BOARD CONFIRMATION

As at the date of this announcement, Mr. Zhang Xin, Mr. Huang Hanjie, and Mr. Yang Xiaodong, each being a Director, holds position(s) at and/or interests in TBEA and/or Tianchi Energy, and they are deemed to have material interests or potential conflict of interest in the Capital Injection and are required to abstain from voting on the relevant Board resolutions. Save for the above Directors, none of the Directors have or are deemed to have any material interests in the aforementioned transactions.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Capital Injection Agreement are determined after arm's length negotiations on normal commercial terms and the transaction contemplated thereunder are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole, although it is not conducted in the ordinary and usual course of business of the Company due to the transaction nature.

LISTING RULES IMPLICATIONS

Upon completion of the Capital Injection, the equity interest in the Target Company held by the Group will be reduced from 100% to 61%. Therefore, the Capital Injection will constitute a deemed disposal under Chapter 14 of the Listing Rules.

As at the date of this announcement, Tianchi Energy is a subsidiary of TBEA, while TBEA directly and indirectly holds approximately 66.61% of the total issued share capital of the Company and is thus the controlling shareholder of the Company. As such, Tianchi Energy is a connected person of the Company and the Capital Injection Agreement and the transaction contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the transaction contemplated under the Capital Injection Agreement exceeds 0.1% but is less than 5%, the transaction contemplated under the Capital Injection Agreement is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from independent shareholders' approval requirement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms and expressions have the meanings as set forth below:

“Board”	the board of Directors of the Company
“Capital Injection”	the capital injection of RMB35 million to the registered capital of the Target Company by Tianchi Energy
“Capital Injection Agreement”	the capital injection agreement entered into among the Company, Inspection Company, Tianchi Energy and the Target Company on 12 September 2025 in relation to the Capital Injection

“Company”	Xinte Energy Co., Ltd. (新特能源股份有限公司), a company with limited liability incorporated in the PRC on 20 February 2008 and converted into a joint stock company on 16 October 2012, the H Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 1799)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Deemed Disposal”	reduction of the equity interest held by the Group in the Target Company from 100% to 61% upon completion of the Capital Injection
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Inspection Company”	Xinjiang Xinte Xinneng Materials Inspection Co., Ltd.* (新疆新特新材料檢測中心有限公司), a company incorporated in the PRC with limited liability on 21 March 2013 and a wholly-owned subsidiary of the Company as at the date of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China
“PV”	Photovoltaic
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the same meaning as ascribed to it under the Listing Rules

“Target Company”	Xinjiang Silicon-based New Material Innovation Center Co., Ltd.* (新疆硅基新材料创新中心有限公司), a company incorporated in the PRC with limited liability on 22 November 2019 and a wholly-owned subsidiary of the Company as at the date of this announcement
“TBEA”	TBEA Co., Ltd. (特變電工股份有限公司), a joint stock company incorporated in the PRC on 26 February 1993 and listed on the Shanghai Stock Exchange (stock code: 600089). As at the date of this announcement, TBEA directly and indirectly holds 66.61% of the equity interest of the Company and is a controlling shareholder of the Company
“Tianchi Energy”	Xinjiang Tianchi Energy Co., Ltd.* (新疆天池能源有限責任公司), a company incorporated in the PRC with limited liability on 29 November 2002. As at the date of this announcement, TBEA directly holds 85.78% of its equity interest, and is a connected person of the Company
“%”	per cent

By order of the Board
Xinte Energy Co., Ltd.
Zhang Jianxin
Chairman

Xinjiang, the PRC
12 September 2025

As at the date of this announcement, the Board consists of Mr. Zhang Jianxin, Mr. Yang Xiaodong, Ms. Huang Fen and Mr. Hu Weijun as executive Directors; Mr. Zhang Xin and Mr. Huang Hanjie as non-executive Directors; Mr. Cui Xiang, Mr. Chen Weiping and Mr. Tam, Kwok Ming Banny as independent non-executive Directors.

* *For identification purpose only*