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PUXING ENERGY LIMITED
普星能量有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 90)

MAJOR AND CONNECTED TRANSACTIONS IN RELATION TO DISPOSAL OF (1) 49% EQUITY INTEREST IN DENENG AND (2) 100% EQUITY INTEREST IN JINGXING

THE DENENG DISPOSAL

On 30 March 2026 (after trading hours), Puxing Neng (HK) Limited (a direct wholly owned subsidiary of the Company) and Bluesky Power Plant (a direct wholly owned subsidiary of the Company) as vendors, the Purchaser and Deneng (as target company) entered into the Deneng Equity Transfer Agreement, pursuant to which Puxing Neng (HK) Limited has conditionally agreed to sell 19% of the equity interest in Deneng, Bluesky Power Plant has conditionally agreed to sell 30% of the equity interest in Deneng, and the Purchaser has conditionally agreed to acquire 49% of the equity interest in Deneng at the consideration of RMB113,340,000 (equivalent to approximately HK$128,074,200), subject to the terms and conditions of the Deneng Equity Transfer Agreement.

As at the date of this announcement, Deneng is directly owned as to 19% by Puxing Neng (HK) Limited, 30% by Bluesky Power Plant, and 51% by the Purchaser respectively. Upon completion and the completion of the Registration Procedures, the Company will no longer hold any equity interest in Deneng.

THE JINGXING DISPOSAL

On 30 March 2026 (after trading hours), the Puxing Xing (HK) Limited (a direct wholly owned subsidiary of the Company) as vendor, the Purchaser and Jingxing (as target company) entered into the Jingxing Equity Transfer Agreement, pursuant to which Puxing Xing (HK) Limited has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire 100% of the equity interest in Jingxing at the consideration of RMB146,860,000 (equivalent to approximately HK$165,951,800), subject to the terms and conditions of the Jingxing Equity Transfer Agreement.

As at the date of this announcement, the Company owns the entire equity interest in Jingxing through Puxing Xing (HK) Limited. Upon completion and the completion of the Registration Procedures, Jingxing will no longer be a subsidiary of the Company, and the Company will no longer hold any equity interest in Jingxing.

LISTING RULES IMPLICATIONS

The shares of the Purchaser are listed on the Shenzhen Stock Exchange (stock code: 000631) which are owned as to approximately 64.86% by Wanxiang Group, as at the date of this announcement, which in turn is ultimately controlled by Mr. Lu, the ultimate controller of the Company. Accordingly, the Purchaser is a connected person of the Company and the Disposals constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rules 14.22 and 14A.81 of the Listing Rules, a series of transactions are required to be aggregated and treated as if they were one transaction if they were all completed within a 12-month period or are otherwise related. As both of the Equity Transfer Agreements are entered into by members of the Group with the Purchaser at the same time, the transactions contemplated under the Equity Transfer Agreements are therefore required to be aggregated pursuant to Rules 14.22 and 14A.81 of the Listing Rules.

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Disposals (on an aggregated basis) exceeds 25% but is less than 75%, the Disposals (on an aggregated basis) constitute a major and connected transaction of the Company and is therefore subject to the reporting, announcement, circular, independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further information on the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder; (ii) a letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the terms of the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its recommendation in respect of the terms of the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder; (iv) the financial information of the Group; (v) the Valuation Reports; (vi) the notice of AGM; and (vii) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 30 April 2026, which is more than 15 business days after the publication of this announcement as more time will be needed for the preparation of certain information to be included in the circular.

Completions of the Disposals is subject to the satisfaction of the conditions precedent under each of the Equity Transfer Agreements and as such, the Disposals may or may not proceed.

I. INTRODUCTION

The Deneng Disposal

On 30 March 2026 (after trading hours), Puxing Neng (HK) Limited (a direct wholly owned subsidiary of the Company) and Bluesky Power Plant (a direct wholly owned subsidiary of the Company) as vendors, the Purchaser and Deneng (as target company) entered into the Deneng Equity Transfer Agreement, pursuant to which Puxing Neng (HK) Limited has conditionally agreed to sell 19% of the equity interest in Deneng, Bluesky Power Plant has conditionally agreed to sell 30% of the equity interest in Deneng, and the Purchaser has conditionally agreed to acquire 49% of the equity interest in Deneng at the consideration of RMB113,340,000 (equivalent to approximately HK$128,074,200), subject to the terms and conditions of the Deneng Equity Transfer Agreement.

As at the date of this announcement, Deneng is directly owned as to 19% by Puxing Neng (HK) Limited, 30% by Bluesky Power Plant, and 51% by the Purchaser respectively. Upon completion and the completion of the Registration Procedures, the Company will no longer hold any equity interest in Deneng.

The Jingxing Disposal

On 30 March 2026 (after trading hours), the Puxing Xing (HK) Limited (a direct wholly owned subsidiary of the Company) as vendor, the Purchaser and Jingxing (as target company) entered into the Jingxing Equity Transfer Agreement, pursuant to which Puxing Xing (HK) Limited has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire 100% of the equity interest in Jingxing at the consideration of RMB146,860,000 (equivalent to approximately HK$165,951,800), subject to the terms and conditions of the Jingxing Equity Transfer Agreement.

As at the date of this announcement, the Company owns the entire equity interest in Jingxing through Puxing Xing (HK) Limited. Upon completion and the completion of the Registration Procedures, Jingxing will no longer be a subsidiary of the Company, and the Company will no longer hold any equity interest in Jingxing.

II. EQUITY TRANSFER AGREEMENTS

Deneng Equity Transfer Agreement

Date	:	30 March 2026
Parties	:	(a) Puxing Neng (HK) Limited (as vendor) (b) Bluesky Power Plant (as vendor) (c) the Purchaser, and (d) Deneng (as target company)
Subject matter	:	Pursuant to the Deneng Equity Transfer Agreement, Puxing Neng (HK) Limited has conditionally agreed to sell 19% of the equity interest in Deneng, Bluesky Power Plant has conditionally agreed to sell 30% of the equity interest in Deneng, and the Purchaser has conditionally agreed to acquire 49% of the equity interest in Deneng, subject to terms and conditions of the Deneng Equity Transfer Agreement.
Consideration	:	The consideration for the Deneng Disposal is RMB113,340,000 (equivalent to approximately HK$128,074,200) which was determined after arm's length negotiations between the vendors and the Purchaser on normal commercial terms with reference to a number of factors, including: (a) the audited consolidated net assets value of Deneng of approximately RMB231,278,145 based on the Audit Report of Deneng Group;

(b) the audited financial performance of Deneng for the year ended 31 December 2025;

(c) the benefits of the Deneng Disposal as set out in the section headed "V. Reasons for and benefits of the Disposals" in this announcement below; and

(d) for the Board's reference purposes, the Board has also considered the appraised value of 100% equity interests in Deneng as at 31 December 2025 by adopting the asset-based approach, being approximately RMB286,407,900 (equivalent to approximately HK$323,640,900) prepared by the Valuer.

Registration Procedures	:	The vendors and the Purchaser shall complete the Registration Procedures within fifteen (15) Business Days after the date on which all the conditions precedent are fulfilled.
Payment of the Consideration	:	The consideration shall be paid to a bank account designated by the vendors within thirty (30) Business Days from the date of the completion of the foreign exchange registration of the funds of the Deneng Disposal in accordance with Hong Kong dollar foreign exchange purchase procedures (the amount of foreign exchange purchase proceeds shall be calculated at the actual exchange rate) after the Purchaser has withheld and paid taxation according to laws (if applicable).

Transition period arrangement	:	(a) Subject to the completion, during the period from 31 December 2025 to the Completion Date (the "**Transition Period**"), the Purchaser shall bear all the profits and losses of the 49% equity interest of Deneng, and the vendors shall have the obligation of good faith management of the 49% equity interest of Deneng. In case of any event or potential event that has significant adverse impact on the 49% equity interest of Deneng during the Transition Period, the Purchaser shall be notified in a timely manner and such matter shall be handled properly; and (b) Dividends which have been declared and approved for distribution by Deneng but have not yet been paid prior to the completion of Registration Procedures, shall belong to the original shareholders of Deneng, (i.e. Puxing Neng (HK) Limited is entitled to receive dividends of RMB56,994,300 while Bluesky Power Plant is entitled to receive dividends of RMB14,783,300).
Conditions precedent	:	Completion is conditional upon the satisfaction of the following conditions precedent on or before the Completion Date in accordance with the terms of the Deneng Equity Transfer Agreement: (a) the Deneng Equity Transfer Agreement having been duly signed by the vendors, the Purchaser and Deneng;

(b) the Purchaser having performed the necessary procedures in accordance with relevant laws, regulations, rules, articles of association and internal compliance procedures, including but not limited to: (i) approval of the Deneng Disposal by the unrelated directors of the Purchaser and making relevant resolutions at the board meeting duly convened by the Purchaser; and (ii) consent from other relevant government departments and any third party (if applicable);

(c) the vendors and Deneng having performed the necessary procedures in accordance with relevant laws, regulations, rules, articles of association and internal compliance procedures; (ii) approval of the Deneng Disposal by the Independent Shareholders; (iii) compliance with the relevant requirements under the Listing Rules or the Stock Exchange; and (iv) consent from other relevant government departments and any third party (if applicable); and

(d) the representations and warranties made by the Purchaser, the vendors and Deneng under the Deneng Equity Transfer Agreement remaining to be true, accurate and not misleading.

None of the above conditions precedent can be waived. As at the date of this announcement, the conditions precedent set out in items (a) and (b)(i) above have been fulfilled.

Completion : Completion shall take place on the date of the completion of Registration Procedures, which shall be completed within fifteen (15) Business Days from after the date on which all the conditions precedent are fulfilled.

As at the date of this announcement, Deneng is directly owned as to 19% by Puxing Neng (HK) Limited, 30% by Bluesky Power Plant, and 51% by the Purchaser respectively. Upon completion and the completion of the Registration Procedures, the Company will no longer hold any equity interest in Deneng.

Termination : The Deneng Equity Transfer Agreement may be terminated in writing in the following manners:

(a) unless the vendors, the Purchaser and Deneng agree otherwise, if completion does not take place on or before 31 March 2027, either the vendors or the Purchaser may terminate the Deneng Equity Transfer Agreement by written notice to the other party;

(b) if the vendors, the Purchaser and Deneng agree in writing;

(c) except for the Force Majeure Event, if a party to the Deneng Equity Transfer Agreement fails to perform any of its obligations under the Deneng Equity Transfer Agreement in a timely and appropriate manner or breaches any of its representations, warranties and undertakings under the Deneng Equity Transfer Agreement, the non-defaulting party to the Deneng Equity Transfer Agreement may terminate the Deneng Equity Transfer Agreement;

(d) if the Registration Procedures cannot be completed, the vendors, the Purchaser and Deneng may unanimously agree to terminate the Deneng Equity Transfer Agreement; or

(e) if a Force Majeure Event has lasted for at least thirty (30) days and renders the performance of the obligations by any party under the Deneng Equity Transfer Agreement impossible, either the vendors, the Purchaser or Deneng may terminate the Deneng Equity Transfer Agreement.

Under the event set out in items (c) above, the non-defaulting party shall have the right to immediately terminate the Deneng Equity Transfer Agreement and abandon the Deneng Disposal upon its independent and prudent decision by written notice to defaulting party without bearing any liability. The right of either party to terminate the Deneng Equity Transfer Agreement pursuant to items (c) above is additional and separate, and any exercise of such right shall not affect, diminish, or constitute a waiver of any other right, remedy or claim available to it at the date of such written notice.

Jingxing Equity Transfer Agreement

Date	:	30 March 2026
Parties	:	(a) Puxing Xing (HK) Limited (as vendor) (b) the Purchaser, and (c) Jingxing (as target company)
Subject matter	:	Pursuant to the Jingxing Equity Transfer Agreement, Puxing Xing (HK) Limited has conditionally agreed to sell 100% of the equity interest in Jingxing, and the Purchaser has conditionally agreed to acquire 100% of the equity interest in Jingxing, subject to terms and conditions of the Jingxing Equity Transfer Agreement.
Consideration	:	The consideration for the Jingxing Disposal is RMB146,860,000 (equivalent to approximately HK$165,951,800) which was determined after arm's length negotiations between Puxing Xing (HK) Limited and the Purchaser on normal commercial terms with reference to a number of factors, including: (a) the audited consolidated net assets value of Jingxing of approximately RMB146,857,392 based on the Audit Report of Jingxing; (b) the audited financial performance of Jingxing for the year ended 31 December 2025; (c) the benefits of the Jingxing Disposal as set out in the section headed "V. Reasons for and benefits of the Disposals" in this announcement below; and

(d) for the Board's reference purposes, the Board has also considered the appraised value of 100% equity interests in Jingxing as at 31 December 2025 by adopting the asset-based approach, being approximately RMB148,589,800 (equivalent to approximately HK$167,906,470) prepared by the Valuer.

Registration Procedures	:	Puxing Xing (HK) Limited and the Purchaser shall complete the Registration Procedures within fifteen (15) Business Days after the date on which all the conditions precedent are fulfilled.
Payment of the Consideration	:	The consideration shall be paid to a bank account designated by Puxing Xing (HK) Limited within thirty (30) Business Days from the date of the completion of the foreign exchange registration of the funds of the Jingxing Disposal in accordance with Hong Kong dollar foreign exchange purchase procedures (the amount of foreign exchange purchase proceeds shall be calculated at the actual exchange rate) after the Purchaser has withheld and paid taxation according to laws (if applicable).

Transition period arrangement	:	(a) Subject to the completion, during the period from 31 December 2025 to the Completion Date (the "**Transition Period**"), the Purchaser shall bear all the profits and losses of the 100% equity interest of Jingxing, and Puxing Xing (HK) Limited shall have the obligation of good faith management of the 100% equity interest of Jingxing. In case of any event or potential event that has significant adverse impact on the 100% equity interest of Jingxing during the Transition Period, the Purchaser shall be notified in a timely manner and such matter shall be handled properly; and (b) Dividends which have been declared and approved for distribution by Jingxing but have not yet been paid prior to the completion of Registration Procedures, shall belong to Puxing Xing (HK) Limited.
Conditions precedent	:	Completion is conditional upon the satisfaction of the following conditions precedent on or before the Completion Date in accordance with the terms of the Jingxing Equity Transfer Agreement: (a) the Jingxing Equity Transfer Agreement having been duly signed by Puxing Xing (HK) Limited, the Purchaser and Jingxing;

(b) the Purchaser having performed the necessary procedures in accordance with relevant laws, regulations, rules, articles of association and internal compliance procedures, including but not limited to: (i) approval of the Jingxing Disposal by the unrelated directors of the Purchaser and making relevant resolutions at the board meeting duly convened by the Purchaser; and (ii) consent from other relevant government departments and any third party (if applicable);

(c) Puxing Xing (HK) Limited and Jingxing having performed the necessary procedures in accordance with relevant laws, regulations, rules, articles of association and internal compliance procedures; (ii) approval of the Jingxing Disposal by the Independent Shareholders; (iii) compliance with the relevant requirements under the Listing Rules or the Stock Exchange; and (iv) consent from other relevant government departments and any third party (if applicable); and

(d) the representations and warranties made by the Purchaser, Puxing Xing (HK) Limited and Jingxing under the Jingxing Equity Transfer Agreement remaining to be true, accurate and not misleading.

None of the above conditions precedent can be waived. As at the date of this announcement, the conditions precedent set out in items (a) and (b)(i) above have been fulfilled.

Completion : Completion shall take place on the date of the completion of Registration Procedures, which shall be completed within fifteen (15) Business Days from after the date on which all the conditions precedent are fulfilled.

As at the date of this announcement, the Company owns the entire equity interest in Jingxing through Puxing Xing (HK) Limited. Upon completion and the completion of the Registration Procedures, Jingxing will no longer be a subsidiary of the Company, and the Company will no longer hold any equity interest in Jingxing.

Termination : The Jingxing Equity Transfer Agreement may be terminated in writing in the following manners:

(a) unless Puxing Xing (HK) Limited, the Purchaser and Jingxing agree otherwise, if completion does not take place on or before 31 March 2027, either Puxing Xing (HK) Limited or the Purchaser may terminate the Jingxing Equity Transfer Agreement by written notice to the other party;

(b) if Puxing Xing (HK) Limited, the Purchaser and Jingxing agree in writing;

(c) except for the Force Majeure Event, if a party to the Jingxing Equity Transfer Agreement fails to perform any of its obligations under the Jingxing Equity Transfer Agreement in a timely and appropriate manner or breaches any of its representations, warranties and undertakings under the Jingxing Equity Transfer Agreement, the non-defaulting party to the Jingxing Equity Transfer Agreement may terminate the Jingxing Equity Transfer Agreement;

(d) if the Registration Procedures cannot be completed, Puxing Xing (HK) Limited, the Purchaser and Jingxing may unanimously agree to terminate the Jingxing Equity Transfer Agreement; or

(e) if a Force Majeure Event has lasted for at least thirty (30) days and renders the performance of the obligations by any party under the Jingxing Equity Transfer Agreement impossible, either Puxing Xing (HK) Limited, the Purchaser or Jingxing may terminate the Jingxing Equity Transfer Agreement.

Under the event set out in items (c) above, the non-defaulting party shall have the right to immediately terminate the Jingxing Equity Transfer Agreement and abandon the Jingxing Disposal upon its independent and prudent decision by written notice to defaulting party without bearing any liability. The right of either party to terminate the Jingxing Equity Transfer Agreement pursuant to items (c) above is additional and separate, and any exercise of such right shall not affect, diminish, or constitute a waiver of any other right, remedy or claim available to it at the date of such written notice.

III. INFORMATION ON THE TARGET COMPANIES

The Deneng Disposal

Deneng, the target company of the Deneng Disposal, is a company established under the laws of the PRC with limited liability on 18 August 2004. As at the date of this announcement, Deneng is directly owned as to 19% by Puxing Neng (HK) Limited, 30% by Bluesky Power Plant, and 51% by the Purchaser respectively. As the Group is only interested in 49% of the equity interest of Deneng, the financial results of Deneng is not consolidated into the financial statements of the Company. Deneng is principally engaged in natural gas power generation and on-grid sales, supporting mechanical and electrical equipment production and sales, sales of hot water produced by waste heat, power grid auxiliary service project development, operation, maintenance and technical services.

As at the date of this announcement, Deneng directly owns the entire equity interest in Quzhou Puxing, a company established under the laws of the PRC with a registered capital of RMB300,000,000. Quzhou Puxing is principally engaged in thermal power technology research and development; gas turbine thermal power project investment, operation, maintenance, technical services; heating services; power generation business and photovoltaic power generation project investment and development.

As at the date of this announcement, the Deneng Group currently operates two gas-fired power plants with an aggregate installed capacity of approximately 342.15 MW (including approximately 150 kW photovoltaic power generating units) and a maximum heating capacity of approximately 200 tons/hour. The power plants operated by the Deneng Group generate power in accordance with the instructions of the relevant government authorities in Zhejiang Province and sell the power generated to State Grid Zhejiang Electric Power Co., Ltd.(國網浙江省電力有限公司)by sending it to the power grid. Quzhou Puxing also supplies steam to the users locating in proximity of its heating pipelines.

The Jingxing Disposal

Jingxing, the target company of the Jingxing Disposal, is a company established under the laws of the PRC with limited liability on 6 January 2006. As at the date of this announcement, Company owns the entire equity interest in Jingxing through Puxing Xing (HK) Limited. Jingxing is principally engaged in power generation business, grid-connected power supply and technical services.

As at the date of this announcement, Jingxing currently operates a power plant located in Changxing County, Zhejiang Province with an installed capacity of approximately 75.22 MW (including approximately 220 kW photovoltaic power generating units). It is a centrally dispatched natural gas power plant in Huzhou, Zhejiang Province. It generates power in accordance with the instructions of the Zhejiang Provincial Development and Reform Commission (Energy Administration)(浙江省發改委(能源局)), and the electricity generated is sold directly to the Huzhou Power Supply Bureau(湖州電力局), which transmits the power to the Huzhou municipal grid.

Financial information of the target companies

The Deneng Disposal

Based on the audited consolidated financial statements for the years ended 31 December 2023, 31 December 2024 and 31 December 2025 of the Deneng Group prepared in accordance with the PRC GAAP, the financial information of the Deneng Group was approximately as follows:

	For the year ended 31 December		
	2025	**2024**	**2023**
	RMB'000	*RMB'000*	*RMB'000*
	audited	audited	audited
Revenue	240,990	258,055	259,763
Profit before taxation	54,638	53,372	46,005
Profit after taxation	40,689	43,422	34,305

The revenue of the Deneng Group above comprises volume tariff revenue, capacity tariff revenue and revenue from sales of heat.

The audited consolidated net assets value and total assets of Deneng Group as at 31 December 2025 prepared in accordance with the PRC GAAP was approximately RMB231,278,145 and RMB725,740,432, respectively. Set out below is a breakdown of the major assets of the Deneng Group and their respective carrying values as at 31 December 2025:

	RMB'000 audited
Monetary funds	5,142
Accounts and other receivables	20,672
Inventories	47,184
Fixed assets	581,138
Intangible assets	15,964
Long-term unamortized expenses	48,896
Other assets	6,744
Total assets	725,740

The audited consolidated net assets value of the Deneng Group as at 31 December 2025 prepared in accordance with the PRC GAAP was approximately RMB231,278,145. The appraised value of the shareholders' equity of Deneng as at 31 December 2025 was approximately RMB286,407,900, which was with reference to the Deneng's Valuation Report prepared by the Valuer by adopting the asset-based approach. The difference between the appraised value of Deneng based on the Deneng's Valuation Report and the audited consolidated net assets value of the Deneng Group based on the Audit Report of the Deneng Group was mainly due to the appreciation of land use right of the Deneng Group. The appraised value of such land use right was arrived at by comparing with undeveloped lands for sale in the primary land market which did not reflect factors including: (i) the restriction on the transfer of the land use right of the Deneng Group (i.e. in principle such land use right is required to be transferred entirely together with the buildings and attachments on the land as a whole according to the relevant PRC laws and regulations) and (ii) the comparatively low liquidity of such land use right in the market, considering that two power plants are constructed on such land, so the appreciation part of the land use right

does not have the ability to realise. As such, the Board is of the view that such appraised value is not of much reference value to the Group in determining the consideration.

The Jingxing Disposal

Based on the audited financial statements for the years ended 31 December 2023, 31 December 2024 and 31 December 2025 of Jingxing prepared in accordance with the PRC GAAP, the financial information of Jingxing was approximately as follows:

	For the year ended 31 December		
	2025	**2024**	**2023**
	RMB'000	*RMB'000*	*RMB'000*
	audited	audited	audited
Revenue	35,605	37,053	52,590
Profit before taxation	4,964	4,898	4,809
Profit after taxation	3,719	3,736	3,394

The revenue of Jingxing above comprises volume tariff revenue and capacity tariff revenue.

The audited net assets value and total assets of Jingxing as at 31 December 2025 prepared in accordance with the PRC GAAP was approximately RMB146,857,392 and RMB168,178,082, respectively. Set out below is a breakdown of the major assets of Jingxing and their respective carrying values as at 31 December 2025:

	RMB'000 audited
Monetary funds	15,799
Accounts and other receivables	2,683
Inventories	1,768
Fixed assets	122,092
Intangible assets	25,833
Other assets	3
Total assets	168,178

The audited net assets value of Jingxing as at 31 December 2025 prepared in accordance with the PRC GAAP was approximately RMB146,857,392. The appraised value of the shareholders' equity of Jingxing as at 31 December 2025 was approximately RMB148,589,800, which was with reference to the Jingxing's Valuation Report prepared by the Valuer by adopting the asset-based approach. The difference between the appraised value of Jingxing based on the Jingxing's Valuation Report and the audited consolidated net assets value of Jingxing based on the Audit Report of Jingxing was mainly due to a slight increase in the value of land use right assets. As such, having considered that such increase is not material, the Board is of the view that the audited consolidated net assets value should be adopted as the basis for determining the consideration.

IV. VALUATION

The Company engaged the Valuer on the appraised value of Deneng and Jingxing as at the Valuation Date for the purpose of the Disposals. A summary of the Valuation Reports prepared by the Valuer will be set out in the circular.

Deneng

The appraised value of 100% equity interest in Deneng of RMB286,407,900 (equivalent to approximately HK$323,640,900) as at the Valuation Date is determined by the Valuer using the asset-based approach.

Jingxing

The appraised value of 100% equity interest in Jingxing of RMB148,589,800 (equivalent to approximately HK$167,906,470) as at the Valuation Date is determined by the Valuer using the asset-based approach.

Valuation approaches and methodologies for each of Deneng and Jingxing

The applicability of the three basic methods of valuation, namely the market approach, the income approach and the asset-based approach, has been analyzed in the light of the valuation purpose, the valuation object, the basis of value, the collection of information and other relevant conditions.

Based on an analysis of Deneng's/Jingxing's historical operations, and interviews with the management of Deneng/Jingxing, it is noted that the principal business of Deneng/Jingxing is natural gas power generation. Electricity pricing in the power generation business consists of electricity tariffs and capacity tariffs, with electricity tariffs being significantly influenced by fluctuations in natural gas prices. Furthermore, an analysis of the historical operating model of Deneng/Jingxing indicates that natural gas power generation mainly plays a role in the peaking of the electricity market, and its power generation capacity is heavily affected by the demand for power supply in the region. Based on the aforementioned factors, the management of Deneng/Jingxing considers that future operating income and profitability are subject to considerable uncertainty, making it impractical to make reasonable forecasts of future operating income and operating risks. Accordingly, the income approach is considered inappropriate for each of the valuations of Deneng and Jingxing.

The prerequisite for applying the market approach is the existence of a developed, fair, and active public market with relatively abundant market data, where comparable transaction cases are available. As there is a sufficient number of listed companies with a nature and business similar to those of Deneng/Jingxing, their market values serve as a sound industry benchmark. Therefore, the market approach is adopted for each of the valuations of Deneng and Jingxing.

Given the completeness of the financial data, the identifiability of all assets and liabilities, and the ability to determine the value of assets based on the avenues for their re-acquisition, the asset-based approach is considered appropriate for adoption for each of the valuations of Deneng and Jingxing.

The asset-based approach considers the avenues for re-acquiring individual assets, reflecting the market value required to reconstruct the enterprise. In contrast, when applying the market approach, factors such as whether the assets are reasonably and fully utilized within the enterprise, and whether they collectively contribute as they should, are considered for their impact on the value of all shareholders' equity. The resulting value quantifies the earnings capacity of the enterprise's overall asset base. Compared to the information used in the asset-based approach, the publicly available operational and financial information of comparable listed companies used in the market approach is relatively less sufficient and comprehensive. Furthermore, fluctuations in the share prices of listed companies may exert a certain influence on the calculation of value multiples.

Based on the foregoing analysis, only the valuation result derived from the asset-based approach is adopted as the final conclusion for each of the valuations of Deneng and Jingxing.

Key valuation assumptions for each of Deneng and Jingxing

The following key assumptions were adopted in the preparation of each of the Valuation Reports:

a. Precondition assumptions

1. The assumption of an arm's length transaction presumes that the subject of the valuation is already in a transaction process. The Valuer simulates the market to appraise it based on the transaction conditions and other relevant factors, adhering to the principle of fairness.

2. The assumption of an open market presumes that the subject of valuation is within a fully competitive and efficient market (whether regional, national, or international). In such a market, the parties contemplating a transaction are on equal footing, each possessing the capability, opportunity, and time to acquire sufficient market information. The transactional conduct of both parties is carried out voluntarily and rationally, free from coercion or undue constraints, enabling them to make reasoned judgments regarding the function, utility, and transaction price of the subject asset. Under conditions of full competition, the exchange value of the subject asset is constrained by market mechanisms and determined by prevailing market conditions, rather than by any individual transaction price.

3. The assumption of a going concern presumes that the valuation subject and the assets it comprises will continue to operate on an ongoing basis, maintaining its current mode, scale, frequency, and operating environment. This assumption not only defines the continued existence of the valuation subject but also establishes the market conditions or environment in which it operates.

b. General assumptions

1. It is assumed that there will be no material changes, as compared to the Valuation Date, in the relevant laws, regulations, industry policies, industrial policies, and macroeconomic environment currently in effect at the national and local levels (in the regions where the valuation subject operates). It is also assumed that there will be no material changes in the political, economic, and social environments of the regions where the parties involved in this transaction are located.

2. It is assumed that there will be no material changes in the fiscal and monetary policies of the regions where the valuation subject operates, nor in the applicable interest rates, exchange rates, tax bases and rates, and policy-related levies and fees.

3. It is assumed that no other force majeure events or unforeseeable factors will have a material adverse impact on the ability to continue as a going concern by the valuation subject.

c. Specific assumptions

1. It is assumed that, based on its existing management approach/model and competency level, the business scope/scope of operations and mode of operation of the valuation subject will remain substantially consistent with the current status. It is further assumed that the future development trend of its business will remain substantially consistent with the development trend of the industry in which it operates as of the Valuation Date.

2. It is assumed that the management of the valuation subject is responsible and competent to fulfill their appointed positions and duties.

3. It is assumed that all information (including fundamental, financial, operational data, etc.) provided by the Company and the valuation subject is genuine, accurate, and complete, and that all material matters have been fully disclosed.

4. It is assumed that qualification certificates of the valuation subject will be renewed on a timely basis upon their expiration.

Based on the above bases, methodologies and assumptions, the Board considers that the each of the valuations of Deneng and Jingxing performed by the Valuer is fair, reasonable and appropriate.

V. REASONS FOR AND BENEFITS OF THE DISPOSALS

The Group is mainly engaged in the development, operation and management of natural gas-fired power plants. As at the date of the announcement, the Group has three wholly-owned gas-fired power plants in Zhejiang Province, with an aggregate installed capacity of 345.92 megawatt (MW) (including 919 kilowatt (kW) photovoltaic power generating units) with a maximum heating capacity of 160 tons/hour. Zhejiang Province is promoting the reform of the electricity spot market and the capacity price reduction policy, which has brought challenges to the Group's business model and profitability. The Company's management team actively researches and explores business models under new forms, strives to find new market convergence points, and is committed to achieving strategic transformation.

The Deneng Disposal

To be in line with the construction plan for new-type energy storage projects by the Zhejiang Provincial Development and Reform Commission (Energy Administration) (浙江省發改委(能源局), Deneng requires additional capital investment to develop its energy storage project. However, such additional capital investment is not aligned with the Group's strategic long-term development direction. In addition, according to the announcement issued by State Grid Zhejiang Electric Power Co., Ltd.(國網浙江省電力有限公司) in October 2025 in relation to the agency electricity purchase prices for industrial and commercial users, the electricity purchase prices of the energy storage projects have increased significantly as compared with the beginning of the year, while the discharge prices have remained unchanged. As a result, the charging and discharging price spread has been materially narrowed, which has adversely affected the expected future profitability of the energy storage projects. After careful consideration to the relevant capital requirements, the prevailing regulatory and electricity pricing environment, as well as the Group's overall strategic development direction, the Board is of the view that the deployment of internal resources or the provision of funding for such investments through external financing would not be in the long_ term interests of the Group. Accordingly, the Company has decided to completely dispose of Deneng. The Deneng Disposal will allow the Group to streamline its business, optimise the allocation of its resources and enhance overall capital efficiency.

As disclosed in the section headed "II. Equity Transfer Agreements" in this announcement above, the Board has taken into account a number of factors in determining the consideration. The Directors (other than the independent non-executive Directors who will express their views after considering the advice from the Independent Financial Adviser) consider that the consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole. The terms of the Deneng Disposal, the Deneng Equity Transfer Agreement and the transactions contemplated thereunder were agreed at after arm's length negotiations between the parties thereto. The Directors (other than the independent non-executive Directors who will express their views after considering the advice from the Independent Financial Adviser) consider that the terms of the Deneng Disposal, the Deneng Equity Transfer Agreement and the transactions contemplated thereunder are on normal commercial terms which are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

The Jingxing Disposal

To be in line with the construction plan for new-type energy storage projects by the Zhejiang Provincial Development and Reform Commission (Energy Administration) (浙江省發改委(能源局), Jingxing requires additional capital investment to develop its energy storage project. However, such additional capital investment is not aligned with the Group's strategic long-term development direction. In addition, according to the announcement issued by State Grid Zhejiang Electric Power Co., Ltd.(國網浙江省電力有限公司) in October 2025 in relation to the agency electricity purchase prices for industrial and commercial users, the electricity purchase prices of the energy storage projects have increased significantly as compared with the beginning of the year, while the discharge prices have remained unchanged. As a result, the charging and discharging price spread has been materially narrowed, which has adversely affected the expected future profitability of the energy storage projects. After careful consideration to the relevant capital requirements, the prevailing regulatory and electricity pricing environment, as well as the Group's overall strategic development direction, the Board is of the view that the deployment of internal resources or the provision of funding for such investments through external financing would not be in the long_ term interests of the Group. Accordingly, the Company has decided to completely dispose of Jingxing. The Jingxing Disposal will enable the Group to streamline its business, optimise the allocation of its resources and enhance overall capital efficiency.

As disclosed in the section headed "II. Equity Transfer Agreements" in this announcement above, the Board has taken into account a number of factors in determining the consideration. The Directors (other than the independent non-executive Directors who will express their views after considering the advice from the Independent Financial Adviser) consider that the consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole. The terms of the Jingxing Disposal, the Jingxing Equity Transfer Agreement and the transactions contemplated thereunder were agreed at after arm's length negotiations between the parties thereto. The Directors (other than the independent non-executive Directors who will express their views after considering the advice from the Independent Financial Adviser) consider that the terms of the Jingxing Disposal, the Jingxing Equity Transfer Agreement and the transactions contemplated thereunder are on normal commercial terms which are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

The Group's remaining business

Upon the Completions of the Disposals, the remaining Group will continue to operate the two gas-fired power plants, namely the Bluesky Power Plant and Puxing (Anji) Gas Turbine Cogeneration Co., Ltd.(普星(安吉)燃機熱電有限公司), with an aggregate installed capacity of approximately 270.7 MW (including 700 kW photovoltaic power generating units) and a maximum heating capacity of 160 tons/hour. The total installed capacity of grid-side energy storage is 100 MW/200 MWh.

(a) Bluesky Power Plant operates a gas-fired power plant located in Hangzhou City, Zhejiang Province with an installed capacity of 112.34 MW. It serves as a peak-shaving unit of the power grid. It has an annual power generation of approximately 400 hours and an annual power generation of approximately 40 million kWh. Its total installed capacity of grid-side energy storage is 100 MW/200 MWh. For the year ended 31 December 2025, the revenue and the net profits attributable to this gas-fired power plant were RMB91,071,500 and RMB18,495,500, respectively.

(b) Puxing (Anji) Gas Turbine Cogeneration Co., Ltd.(普星(安吉)燃機熱電有限公司) operates a gas-fired power plant located in Anji County, Zhejiang Province with an installed capacity of 158.36 MW. It serves as a peak-shaving unit for the power grid. It has an annual power generation of approximately 500 hours and an annual power generation of approximately 80 million kWh. It is responsible for supplying heat to the surrounding industrial parks, with an annual heat supply of approximately 80,000 tons. For the year ended 31 December 2025, the revenue and the net profits attributable to this gas-fired power plant were RMB151,746,400 and RMB22,510,600, respectively.

With respect to the Jingxing Disposal, for the year ended 31 December 2025, the revenue and the net profits attributable to this gas-fired power plant were RMB35,605,000 and RMB3,719,000, respectively. The revenue of Jingxing accounted for approximately 9.67% of the revenue of the Group for the year ended 31 December 2025. The Company considers that the production capacity of Jingxing is not significant to the Group. Taking into account the above, the Company considers that there will be no material impact on the production capacity of the Group.

The Group previously disposed of 51% equity interest in Deneng, with the Registration Procedures completed on 7 March 2025. With respect to the Deneng Disposal, the Group only holds 49% equity interest in Deneng as at the date of this announcement, and hence the revenue of Deneng is not consolidated into the financial statements of the Group.

As a result, the Company considers that the Deneng Disposal and Jingxing Disposal would have no material impact on the operational structure and production capacity of the Group, and that the Group will be able to carry out its existing businesses with a sufficient level of operations and assets of sufficient value to support its operations after the Completions.

Use of Proceeds

The estimated net proceeds (after deducting relevant expenses) to be received by the Group from the Disposals is approximately RMB255 million. The Company intends to use the proceeds from the Disposals for future business development purposes, including, where appropriate and subject to market opportunities and conditions, possible acquisitions of or investments in companies engaged in artificial intelligence, the digital economy, energy technology, and to conduct equity investment, industrial investment, and asset management businesses to support the Group in achieving the evolution from traditional energy group to a comprehensive industrial group driven by both "technology and digital". As at the date of this announcement, the Company has not identified any specific acquisition or investment targets. The Group believes that the Disposals will provide the Group with the opportunity to unlock the value of its natural gas power plant holdings, supplement its current working capital and provide immediate funding for the Group's future business development, which will place the Company in a better position to respond to suitable opportunities as they arise and to enhance its long term strategic flexibility and competitiveness.

VI. FINANCIAL EFFECTS OF THE DISPOSALS

The Deneng Disposal

Upon completion and for illustrative purposes only, it is estimated that the Group will recognise a loss of approximately RMB50,000 from the Deneng Disposal. The estimated loss is attributable to the consideration being determined with reference to the net assets of Deneng Group as at 31 December 2025, together with 49% of the net profit generated by the Deneng Group during the period from 31 December 2025 to the completion date.

It is estimated that the total assets of the Group will decrease by approximately RMB102,895,000.

The above-mentioned estimated figures are subject to the final net assets value of the Deneng Group at completion and final transaction expenses directly attributable to the Deneng Disposal. Upon completion and the completion of the Registration Procedures, the Company will no longer hold any equity interest in Deneng.

The Jingxing Disposal

Upon completion and for illustrative purposes only, it is estimated that the Group will recognise a loss of approximately RMB1,378,300 from the Jingxing Disposal. The estimated loss is attributable to the consideration being determined with reference to the net assets of Jingxing as at 31 December 2025, together with 100% of the net profit generated by Jingxing during the period from 31 December 2025 to the completion date.

It is estimated that the total assets of the Group will decrease by approximately RMB148,753,000, and the liabilities will decrease by approximately RMB21,493,000.

The above-mentioned estimated figures are subject to the final net assets value of Jingxing at completion and final transaction expenses directly attributable to the Jingxing Disposal. Upon completion and the completion of the Registration Procedures, Jingxing will no longer be a subsidiary of the Company, and the Company will no longer hold any equity interest in Jingxing.

VII. INFORMATION ON THE PARTIES

The Group

The Group is mainly engaged in the development, operation and management of natural gas-fired power plants.

The Purchaser

The Purchaser is a company established under the laws of the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000631). It is principally engaged in clean energy power generation business, integrated smart energy services, real estate and property services. It is owned as to approximately 64.86% by Wanxiang Group which in turn is ultimately controlled by Mr. Lu.

The Vendors

Puxing Neng (HK) Limited

It is a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Company, which is principally engaged in investment holding.

Bluesky Power Plant

Zhejiang Puxing Bluesky Natural Gas Power Co., Ltd.*(浙江普星藍天然氣發電有限公司) is a company established in the PRC with limited liability and a direct wholly-owned subsidiary of the Company, which is principally engaged in power generation.

Puxing Xing (HK) Limited

It is a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Company, which is principally engaged in investment holding.

To the best of the Board's knowledge, information and belief having made all reasonable enquiry, the Group, the vendors, the Purchaser, Deneng, and Jingxing are ultimately controlled by Mr. Lu.

VIII. IMPLICATIONS UNDER THE LISTING RULES

The shares of the Purchaser are listed on the Shenzhen Stock Exchange (stock code: 000631) which are owned as to approximately 64.86% by Wanxiang Group, as at the date of this announcement, which in turn is ultimately controlled by Mr. Lu, the ultimate controller of the Company. Accordingly, the Purchaser is a connected person of the Company and the Disposals constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rules 14.22 and 14A.81 of the Listing Rules, a series of transactions are required to be aggregated and treated as if they were one transaction if they were all completed within a 12-month period or are otherwise related. As both of the Equity Transfer Agreements are entered into by members of the Group with the Purchaser at the same time, the transactions contemplated under the Equity Transfer Agreements are therefore required to be aggregated pursuant to Rules 14.22 and 14A.81 of the Listing Rules.

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Disposals (on an aggregated basis) exceeds 25% but is less than 75%, the Disposals (on an aggregated basis) constitute a major and connected transaction of the Company and is therefore subject to the reporting, announcement, circular, independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

IX. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising Mr. Wu Chongguo, Ms. Wu Ying and Mr. Yu Wayne W., being all the independent non-executive Directors, has been formed in accordance with Chapter 14A of the Listing Rules to advise the Independent Shareholders on the terms of the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder.

Donvex Capital Limited has been appointed as the Independent Financial Adviser by the Company to advise the Independent Board Committee and the Independent Shareholders on the terms of the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the relevant connected transaction must abstain from voting on the relevant resolution at the AGM. As at the date of this announcement, Puxing International, which is ultimately controlled by Mr. Lu, is the Controlling Shareholder interested in approximately 65.42% of the total number of Shares in issue of the Company and the Purchaser is owned as to approximately 64.86% by Wanxiang Group which in turn is ultimately controlled by Mr. Lu. Accordingly, Puxing International and its associates will be required to abstain from voting on the resolution in relation to the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder.

Save as abovementioned, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholder has a material interest in the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder and therefore, no other Shareholder is required to abstain from voting at the AGM on the relevant resolution.

X. DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further information on the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder; (ii) a letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the terms of the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its recommendation in respect of the terms of the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder; (iv) the financial information of the Group; (v) the Valuation Reports; (vi) the notice of AGM; and (vii) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 30 April 2026, which is more than 15 business days after the publication of this announcement as more time will be needed for the preparation of certain information to be included in the circular.

Completions of the Disposals is subject to the satisfaction of the conditions precedent under each of the Equity Transfer Agreements and as such, the Disposals may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

XI. DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

"AGM"	the annual general meeting of the Company to be held at 10:00 a.m. on Friday, 22 May June 2026 at Second Floor Meeting Room, Wanxiang Group Corporation, No. 855 Jianshe 2nd Road, Xiaoshan District, Hangzhou City, China or any adjournment thereof
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Report of the Deneng Group"	consolidated audit report of the Deneng Group for the year ended 31 December 2025 issued by Zhonghui Accounting Firm (Special General Partnership)* 中匯會計師事務所(特殊普通合夥), a PRC certified public accountants in accordance with PRC GAAP
"Audit Report of Jingxing"	audit report of Jingxing for the year ended 31 December 2025 issued by Da Hua Certified Public Accountants (Special General Partnership)Chongqing Branch* (大華會計師事務所(特殊普通合夥)重慶分所), a PRC certified public accountants in accordance with PRC GAAP
"Bluesky Power Plant"	Zhejiang Puxing Bluesky Natural Gas Power Co., Ltd.* (浙江普星藍天然氣發電有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement
"Board"	the board of Directors
"Business Day(s)"	a day other than Saturday, Sunday and a public holiday in the PRC or Hong Kong

"Company"	Puxing Energy Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 90)
"Completions"	completion of the Disposals in accordance with the terms and conditions of the Equity Transfer Agreements
"Completion Date"	the date of the completion
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholder"	has the meaning ascribed to it under the Listing Rules
"Deneng"	Zhejiang Puxing Deneng Natural Gas Power Co., Ltd.*（浙江普星德能然氣發電有限公司）, a company established under the laws of the PRC with limited liability, which is directly owned by Puxing Neng (HK) Limited and Bluesky Power Plant as to 19% and 30% respectively as at the date of this announcement
"Deneng Disposal"	the disposal of 49% of the equity interest in Deneng by the Group (19% by Puxing Neng (HK) Limited, 30% by Bluesky Power Plant) to the Purchaser pursuant to the Deneng Equity Transfer Agreement
"Deneng Equity Transfer Agreement"	the equity transfer agreement dated 30 March 2026 entered into between Puxing Neng (HK) Limited, Bluesky Power Plant, the Purchaser and Deneng in relation to the Deneng Disposal
"Deneng Group"	Deneng and Quzhou Puxing

"Directors"	the directors of the Company
"Disposals"	collectively, the Deneng Disposal and the Jingxing Disposal
"Equity Transfer Agreements"	collectively, Deneng Equity Transfer Agreement and Jingxing Equity Transfer Agreement
"Force Majeure Event"	any circumstances which are not within the reasonable control or prediction of affected party, or even if predicted, such circumstances are inevitable or cannot be overcome, and occur after the date of execution of the Equity Transfer Agreement and cause the performance by the party to the Equity Transfer Agreements objectively impossible in whole or in part, which include, without limitation, flood, fire, storm, earthquake, strikes, riots, wars (whether or not they have been declared) and any change in the relevant laws or regulations of the relevant industry
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Independent Board Committee"	a committee of the Board comprising Mr. Wu Chongguo, Ms. Wu Ying and Mr. Yu Wayne W., being all the independent non-executive Directors, which is formed to advise the Independent Shareholders on the terms of the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder

"Independent Financial Adviser"	Donvex Capital Limited, a corporation licensed to carry out type 6 (advising on corporate finance) regulated activities under the SFO, being independent financial adviser to the Independent Board Committee and Independent Shareholders in relation to the terms of the Disposals, the Equity Transfer Agreements and the transactions contemplated thereunder
"Independent Shareholders"	the Shareholders other than Puxing International and its associates
"Jingxing"	Zhejiang Puxing Jingxing Natural Gas Power Co., Ltd.*（浙江普星京興然氣發電有限公司）, a company established under the laws of the PRC with limited liability, which is directly owned by Puxing Xing (HK) Limited and is an indirect wholly-owned subsidiary of the Company as at the date of this announcement
"Jingxing Disposal"	the disposal of 100% of the equity interest in Jingxing by Puxing Xing (HK) Limited to the Purchaser pursuant to the Jingxing Equity Transfer Agreement
"Jingxing Equity Transfer Agreement"	the equity transfer agreement dated 30 March 2026 entered into between Puxing Xing (HK) Limited, the Purchaser and Jingxing in relation to the Jingxing Disposal
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Mr. Lu"	Mr. Lu Weiding（魯偉鼎）, the ultimate controller of the Company

"PRC"	the People's Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"PRC GAAP"	generally accepted accounting principles in the PRC
"Purchaser"	SHUNFA HENGNENG Corporation*(順發恒能股份公司), a company established under the laws of the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000631)
"Puxing International"	Puxing International Limited, a company incorporated under the laws of British Virgin Islands with limited liability, being directly interested in approximately 65.42% of the issued share capital of the Company as at the date of this announcement
"Quzhou Puxing"	Quzhou Puxing Gas Turbine Thermal Power Co., Ltd.*(衢州普星燃機熱電有限公司), a company established under the laws of the PRC with limited liability and a direct wholly-owned subsidiary of Deneng
"Registration Procedures"	the relevant registration procedures with the relevant PRC government authority in respect of the change in the ownership of the equity interest of Deneng and Jingxing
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

"Share(s)"	ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares from time to time
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Valuation Date"	31 December 2025, being the reference date for the preparation of the Valuation Reports
"Valuation Reports"	two separate valuation reports prepared by the Valuer on the appraised value of (i) 100% equity interests in Deneng, as at the Valuation Date; and (ii) 100% equity interest in Jingxing as at the Valuation Date by adopting the asset-based approach
"Valuer"	United Assets & Real Estate Appraisal Co., Ltd.* (聯合中和資產不動產評估諮詢有限公司), an independent valuer
"Wanxiang Group"	Wanxiang Group Corporation* (萬向集團公司), a company established under the laws of the PRC with limited liability and is ultimately controlled by Mr. Lu; and
"%"	per cent.

Yours faithfully
By order of the Board
Puxing Energy Limited
GUAN Dayuan
Chairman

Hong Kong, 30 March 2026

As at the date of this announcement, the Board comprises six Directors, of whom three are executive Directors, namely Mr. Guan Dayuan, Mr. Wei Junyong and Mr. Yuan Feng; and three are independent non-executive Directors, namely Mr. Wu Chongguo, Ms. Wu Ying and Mr. Yu Wayne W.

For the purpose of this announcement, unless otherwise indicated, the exchange rate of RMB1.00 = HK$1.13 has been used, where applicable, for purpose of illustration only and it does not constitute any representation that any amount has been, could have been or may be exchanged at that rate or at any other rate.

* *For identification purposes only*