中国港能
CHINA HK POWER

# 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)**

## SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that on 14 September 2026 (after trading hours of the Stock Exchange), the Company and Mrs. Huang Jiajia (the "**Subscriber**") entered into the Subscription Agreement, pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 50,000,000 new Shares at the Subscription Price of HK$0.290 per Share subject to the terms and conditions set out in the Subscription Agreement.

Assuming there will be no change in the total number of Shares in issue (other than the issue of the Subscription Shares) from the date of this announcement to the date of Completion, the number of the Subscription Shares represents approximately 0.61% of the total number of issued Shares as at the date of this announcement and approximately 0.61% of the enlarged total number of issued Shares immediately following Completion.

The Subscription Price of HK$0.290 per Subscription Share represents (i) a discount of approximately 6.5% to the closing price per Share of HK$0.310 as quoted on the Stock Exchange on the Last Trading Day (equal to the closing bid price); and (ii) a discount of approximately 9.1% to the average of the closing prices per Share of HK$0.319 as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day.

The gross proceeds and net proceeds from the issue of the Subscription Shares are estimated to be HK$14.5 million and HK$14.3 million respectively. The Company intends to allocate the net proceeds of the Subscription (after deducting estimated expenses) for the general working capital of the Group, including for rental payments, staff costs, professional fees, and other general administrative and operating expenses.

The Subscription is not subject to Shareholders' approval as the Subscription Shares will be issued under the General Mandate 2026. Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

**Completion is subject to fulfilment of the condition under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## THE SUBSCRIPTION

The Board is pleased to announce that on 14 September 2026 (after trading hours of the Stock Exchange), the Company and the Subscriber entered into the Subscription Agreement, pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 50,000,000 new Shares at the Subscription Price of HK$0.290 per Share subject to the terms and conditions set out in the Subscription Agreement.

## THE SUBSCRIPTION AGREEMENT

Date: 14 September 2026 (after trading hours of the Stock Exchange)

Parties: (1) The Company

(2) The Subscriber

The Subscriber is a private individual investor. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Subscriber is an Independent Third Party.

### The Subscription Shares

Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 50,000,000 Subscription Shares, representing:

(1) approximately 0.61% of the existing total number of issued Shares, being 8,157,900,589 Shares, as at the date of this announcement; and

(2) approximately 0.61% of the enlarged total number of issued Shares of 8,207,900,589 Shares immediately following Completion, assuming there will be no change in the total number of Shares in issue from the date of this announcement to the date of Completion.

### The Subscription Price

The Subscription Price of HK$0.290 per Subscription Share represents:

(1) a discount of approximately 6.5% to the closing price of HK$0.310 per Share as quoted on the Stock Exchange on the Last Trading Day (equal to the closing bid price); and

(2) a discount of approximately 9.1% to the average closing price of HK$0.319 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day.

The Subscriber shall pre-pay the entire amount of the Subscription Price (the "**Prepayment**") within 5 business days after receipt of a notice from the Company stating the listing approval of the Subscription Shares has been obtained (or such later date as may be agreed between the Company and the Subscriber in writing).

The net subscription price per Share amount to HK$0.286 and the aggregate nominal value of the Subscription Shares amount to HK$1,000,000.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscriber with reference to the prevailing market price of the Shares. The Directors consider that the Subscription Price and the terms and conditions of the Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

**Ranking of the Subscription Shares**

The Subscription Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the other Shares in issue as at the date of allotment and issue of the Subscription Shares.

**Condition**

Completion pursuant to the Subscription Agreement is conditional upon the Stock Exchange having granted the listing of, and permission to deal in, the Subscription Shares.

If the above condition is not fulfilled on or before the Long Stop Date, subject to refund of the Prepayment, all rights, obligations and liabilities of the parties to the Subscription Agreement shall cease and terminate and none of the parties to the Subscription Agreement shall have any claim against any other in respect of the Subscription, save for any antecedent breaches thereof.

**Completion**

Completion will take place on the fifth business day following the fulfilment of the condition precedent to the Subscription and the Prepayment having been made in full by the Subscriber, or such other date as the Company may agree in writing.

**As completion of the Subscription is subject to the satisfaction of the condition precedent under the Subscription Agreement, the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## GENERAL MANDATE TO ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be allotted and issued by the Company pursuant to the General Mandate 2026, which has been granted to the Directors by a resolution of the Shareholders passed at the AGM 2026 on 21 August 2026 to allot, issue and otherwise deal with up to 1,631,580,117 Shares, representing 20% of the total number of Shares in issue as at the date of the AGM 2026.

As disclosed in the announcement of the Company dated 7 September 2026, 100,000,000 Shares will be issued pursuant to the General Mandate 2026 where the completion of the subscription remains pending. Save as disclosed above, as at the date of this announcement, no other Shares have been issued pursuant to the General Mandate 2026. The remaining unused General Mandate 2026 (being 1,531,580,117 Shares) is sufficient for the allotment and issue of the Subscription Shares, and the issue of the Subscription Shares is therefore not subject to the approval of the Shareholders. Upon Completion (assuming the completion of the subscription dated 7 September 2026 and the Subscription under this announcement are both materialized), the Company will have unused General Mandate 2026 to issue up to 1,481,580,117 Shares.

## APPLICATION FOR LISTING OF THE SUBSCRIPTION SHARES

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares.

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 8,157,900,589 Shares in issue. Set out below is a table showing the shareholding structure of the Company as at the date of this announcement and immediately after Completion, assuming there will be no change in the total number of Shares in issue (other than the issue of the Subscription Shares) from the date of this announcement to the date of Completion:

| **Name of Shareholders** | **As at the date of this announcement** | | **Immediately after the allotment and issue of the Subscription Shares** | |
|---|---|---|---|---|
| | *No. of Shares* | *Approximate % shareholding* | *No. of Shares* | *Approximate % shareholding* |
| Directors: | | | | |
| Dr. Kan Che Kin, Billy Albert (“**Dr. Kan**”) and Mrs. Kan Kung Chuen Lai (“**Mrs. Kan**”) *(Note i)* | 4,484,029,568 | 54.96% | 4,484,029,568 | 54.63% |
| Mr. Li Kai Yien, Arthur Albert | 200,000 | 0.01% | 200,000 | 0.01% |
| Subscriber | – | – | 50,000,000 | 0.61% |
| Other Public Shareholders | 3,673,671,021 | 45.03% | 3,673,671,021 | 44.75% |
| | 8,157,900,589 | 100.00% | 8,207,900,589 | 100.00% |

*Notes:*

i) 5,000,000 shares among these Shares are held by Ground Up. Dr. Kan beneficially owns the entire issued share capital of Ground Up. Therefore he is deemed to be interested in all the Shares held by Ground Up by virtue of the SFO. Dr. Kan is the chairman of the Board and an executive Director. Dr. Kan is also a director of Ground Up. Mrs. Kan, being a non-executive Director and the spouse of Dr. Kan, is deemed to be interested in 4,484,029,568 Shares;

## REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The gross proceeds and net proceeds from the issue of the Subscription Shares are estimated to be HK$14.5 million and approximately HK$14.3 million respectively. The Company intends to apply the entire net proceeds from the Subscription of approximately HK$14.3 million as the Group's general working capital, including rental payments, staff costs, professional fees, and other general administrative and operating expenses. The Group's annual budget for general working capital is approximately HK$110.0 million. As disclosed in the announcements of the Company dated 1 September 2026 and 7 September 2026, approximately HK$47.7 million and HK$28.8 million of the net proceeds from the previous subscriptions were allocated for general working capital, respectively. Accordingly, the net proceeds from the Subscription of approximately HK$14.3 million will be used to satisfy part of the remaining balance of the Group's annual general working capital requirements, and any remaining shortfall will be financed by other future fund-raising activities of the Group. All net proceeds are expected to be fully utilized within one year from Completion.

The Board has reviewed other alternative fundraising methods and considered that debt financing may incur interest burden on the Company and may be subject to lengthy due diligence process and negotiations with banks, which may be relatively uncertain and time-consuming. On the other hand, rights issue or open offer will involve the issue of listing documents with other application and administrative procedures which may require relatively longer time and additional administrative cost to complete as compared to the equity financing by way of issuing of new Shares under the General Mandate 2026.

The Directors consider that the Subscription represents a good opportunity to enlarge the shareholder base and the capital base of the Company. In addition, the net proceeds of the Subscription will strengthen the Group's financial position. Accordingly, the Directors are of the view that the terms and conditions of the Subscription Agreement are normal commercial terms after arm's length negotiations and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

On 7 September 2026, the Company entered into a subscription agreement to allot and issue an aggregate of 100,000,000 Shares at the subscription price of HK$0.29 per Share, with gross proceeds of approximately HK$29.0 million, to an independent third party subscriber. As at the date of this announcement, the completion of the subscription remains pending, subject to the fulfillment of the conditions precedent. For details, please refer to the announcements of the Company dated 7 September 2026.

On 14 August 2026, the Company entered into a subscription agreement to allot and issue an aggregate of 1,487,134,000 Shares at the subscription price of HK$0.267 per Share, with gross proceeds of approximately HK$397.1 million, to an independent third party subscriber. As at the date of this announcement, the completion of the subscription remains pending, subject to the fulfillment of the conditions precedent. For details, please refer to the announcements of the Company dated 14 August 2026, 1 September 2026 and 14 September 2026.

On 26 May 2026, the Company issued an aggregate of 722,222,222 Shares at the capitalization price of HK$0.36 per Share, with an aggregate amount of HK$260 million to Dr. Kan, in accordance with the terms and conditions of the conditional agreement dated 5 March 2026 entered into between Dr. Kan and the Company in relation to the capitalisation and set off of a portion of the unsecured Shareholder's loans due from the Group to Dr. Kan. For details, please refer to the announcements of the Company dated 5 March 2026, 28 April 2026 and 26 May 2026.

Save as disclosed above, the Company had not conducted any fund raising activities involving the issue of its equity securities in the 12 months immediately preceding the date of this announcement.

**Completion is subject to fulfilment of the condition under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

**DEFINITIONS**

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

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| "AGM 2026" | the annual general meeting of the Company convened on 21 August 2026 |
| "Board" | the board of Directors |
| "Company" | China HK Power Smart Energy Group Limited, a company incorporated under the laws of the Cayman Islands, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 931) |
| "Completion" | completion of the Subscription |
| "Director(s)" | the director(s) of the Company |
| "General Mandate 2026" | the general mandate granted to the Directors by the Shareholders at the AGM 2026 for allotment and issue of up to 1,631,580,117 Shares |
| "Group" | the Company and its subsidiaries |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |

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| "Independent Third Party(ies)" | any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, are third parties independent of the Company and the connected persons of the Group in accordance with the Listing Rules |
| "Last Trading Day" | 14 September 2026, being the date of the Subscription Agreement |
| "Listing Rules" | The Rules Governing the Listing of Securities on the Stock Exchange |
| "Long Stop Date" | 14 October 2026 or any other date as the Company may agree in writing |
| "PRC" | the People's Republic of China, which for the purpose of this announcement, shall exclude the Macau Special Administrative Region of the PRC and Taiwan |
| "SFO" | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| "SFC" | the Securities and Futures Commission of Hong Kong |
| "Share(s)" | the ordinary share(s) of HK$0.02 each in the share capital of the Company |
| "Shareholder(s)" | holder(s) of the Share(s) |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Subscriber" | Mrs. Huang Jiajia (黃佳佳), a professional equity investor who has extensive experience for more than five years of investment experience. As at the date of this announcement, Mrs. Huang does not hold any Shares or other securities of the Company |
| "Subscription Agreement" | the subscription agreement dated 14 September 2026 entered into by the Company and the Subscriber in respect of the Subscription |
| "Subscription Price" | HK$0.290 per Subscription Share |
| "Subscription Shares" | an aggregate of 50,000,000 Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement |

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|---|---|
| "Subscription" | the subscription of the Subscription Shares by the Subscriber at the Subscription Price pursuant to the terms and conditions as set out in the Subscription Agreement |
| "%" | per cent |
| "HK$" | Hong Kong dollars, the legal currency of Hong Kong |

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

Hong Kong, 14 September 2026

*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 two non-executive Directors, namely Mrs. Kan Kung Chuen Lai and Mr. Simon Murray; and three independent non-executive Directors, namely Mr. Li Siu Yui, Mr. Tsang Ho Pong and Mr. Lam Lum Lee.*