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China New Energy Limited

*(Incorporated in Jersey, Channel Islands with limited liability and carrying on business in Hong Kong as "**Zhongke Tianyuan New Energy Limited**")*

(Stock Code: 1156)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

瑞城證券有限公司
Gransing Securities Co., Limited

THE PLACING

On 9 November 2026 (after trading hours), the Placing Agent and the Company entered into the Placing Agreement pursuant to which the Placing Agent agree to place, on a best effort basis, up to 117,951,779 Placing Shares to not less than six (6) Placees at a price of HK$0.161 per Placing Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion, the maximum number of the Placing Shares represent (i) approximately 16.67% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 14.29% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The Placing Shares will be allotted and issued under the General Mandate, and will not be subject to approval by the Shareholders.

The Placing Price of HK$0.161 was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length between the Company and the Placing Agent, and represents (i) a discount of approximately 6.94% to the closing price of HK$0.173 as quoted on the Stock Exchange on the date of the Placing Agreement and (ii) a discount of approximately 9.75% to the average closing price of approximately HK$0.1784 in the last five consecutive trading days prior to the date of the Placing Agreement.

Assuming all the Placing Shares are subscribed for in full, upon the Completion, the gross proceeds will be approximately HK$18.99 million and the net proceeds arising from the Placing are estimated to be approximately HK$18.24 million. The net price per Placing Share is estimated to be approximately HK$0.155.

The Placing is conditional upon, the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Placing Shares (and such listing and permission not subsequently being revoked prior to the Completion).

The Placing is not subject to the Shareholders' approval as the Placing Shares will be issued pursuant to the General Mandate.

Shareholders and potential investors of the Shares should note that Placing is subject to the fulfilment of the conditions precedent to the Completion and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date : 9 November 2026 (after trading hours)

Issuer : the Company

Placing Agent : Gransing Securities Co., Limited

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

The Placing

Pursuant to the Placing Agreement, the Placing Agent has conditionally agreed to, on a best effort basis, place up to 117,951,779 Placing Shares at the Placing Price of HK$0.161 to not less than six (6) independent Placees.

In the event that the number of Placees falls below six (6), the Placing Agent and the Company shall use its best endeavours to comply with the Listing Rules, including to disclosure of details of the Placee(s) including but not limited to the names of such Placee(s).

The Placing Agent will receive a placing commission of 3.0% of the aggregate amount equal to the Placing Price multiplied by the actual number of Placing Shares successfully placed by the Placing Agent.

The terms of the Placing Agreement (including the Placing Price and the placing commission) were determined after arm's length negotiations between the Company and the Placing Agent. The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Placees

The Placing Agent will, on the best effort basis, place the Placing Shares to not less than six (6) Placees (who are independent professional, institutional or other investors), who and whose ultimate beneficial owner(s) are Independent Third Parties. It is expected that none of the Placees nor their associates will become a substantial Shareholder of the Company as a result of the Placing.

Number of Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion, the maximum number of the Placing Shares under the Placing represent (i) approximately 16.67% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 14.29% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The maximum aggregate nominal value of the Placing Shares under the Placing will be approximately £29,487.94.

Ranking of Placing Shares

The Placing Shares under the Placing will rank, upon issue, pari passu in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

Application for Listing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares successfully placed by the Placing Agent.

Placing Price

The Placing Price of HK$0.161 per Placing Share represents

(i) a discount of approximately 6.94% to the closing price of HK$0.173 as quoted on the Stock Exchange on the date of the Placing Agreement; and

(ii) a discount of approximately 9.75% to the average closing price of approximately HK$0.1784 as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Placing Agreement.

The net placing price (after deducting related costs and expenses to be borne by the Company) is approximately HK$0.155 per Share.

The Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable. Hence, the Directors consider that the Placing is in the interests of the Company and the Shareholders as a whole.

Conditions of the Placing Agreement

The Placing is conditional upon the fulfillment of the following conditions:

(i) the approval for the listing of, and the permission to deal in, the Placing Shares being granted by the Listing Committee of the Stock Exchange (and such permission and listing not subsequently being revoked prior to the later of (i) the Completion Date; and (ii) the delivery of definitive share certificate(s) representing the Placing Shares)

(ii) the passing by the board of Directors of the Company of resolutions to approve the Placing, the Placing Agreement and the transactions contemplated hereunder; and

(iii) all necessary authorisations, consent and approvals as may be obtained by the Company and the Placing Agent having been obtained in respect of the Placing Agreement from relevant authorities (including but not limited to the Stock Exchange).

The Company and the Placing Agent shall use their respective best endeavours to procure the fulfillment of all the conditions as set out above by the date stated therein or such later date as the parties hereto may agree in writing, but if any of the conditions shall not be so satisfied, the Placing Agreement shall terminate, all rights, obligations and liabilities of the Company and the Placing Agent hereunder shall cease and determine and none of the parties hereto shall have any claim against the other in relation thereto (save in respect of any antecedent breach of any obligation under the Placing Agreement).

Termination

The Placing Agent may after consultation with the Company terminate the Placing Agreement by notice in writing to the Company at any time up to 5:00 p.m. on the Business Day prior to the Completion Date, upon the occurrence of the following events which has or may have an adverse effect on the business or financial conditions or prospects of the Company or the success of the Placing or the full placement of all of the Placing Shares or otherwise makes it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement:

(i) the introduction of any new laws or regulations or any changes in existing laws or regulations (or the judicial interpretation thereof) or other occurrences of any nature whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole;

(ii) the occurrence of any local, national or international events or changes (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Placing Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting the local securities market or the occurrence of any combination of circumstances (inclusive of any pandemics or epidemics) which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or adversely prejudice the success of the Placing or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or

(iii) any suspension or material restriction on trading in securities which affect the success of the Placing (save and except the halt or suspension in trading in the Shares for the purpose of the transactions contemplated under the Placing Agreement) and which in the absolute opinion of the Placing Agent makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing.

If notice is given pursuant to the (i) to (iii) above, the Placing Agreement shall terminate and be of no further effect and neither party shall be under any liability to the other party in respect of the Placing Agreement save for any antecedent breach under the Placing Agreement prior to such termination.

Completion of the Placing

Completion of the Placing shall take place within five Business Days after the fulfilment of the condition as set out above or such other date and place to be agreed between the Company and the Placing Agent in writing.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is a leading ethanol system producer in the People's Republic of China. The Company primarily provides integrated services including engineering design, equipment manufacturing, installation and commissioning, and subsequent maintenance for the core system of ethanol production system in the ethanol fuel and alcoholic beverage industries in the People's Republic of China.

The maximum gross proceeds and maximum net proceeds from the Placing are expected to be approximately HK$18.99 million and approximately HK$18.24 million, respectively. The Company intends to use all net proceeds from the Placing for its business operation and general working capital of the Group.

Assuming the Placing Shares are fully placed, the net placing price will be approximately HK$0.155 per Placing Share.

The Directors have considered various ways of raising funds and consider that the Placing represents an attractive opportunity to raise capital for the Company while broadening the Shareholder base and capital base of the Company. In addition, the net proceeds of the Placing will strengthen the Group's financial position for its future operation. Accordingly, the Directors consider that the Placing is of the interest of the Company and the Shareholders as a whole.

Shareholders and potential investors of the Shares should note that Placing is subject to the fulfilment of the conditions precedent to the Completion and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Save for the following equity fund raising activities, the Company has not conducted any other equity fund raising activities involving the issue of its equity securities in the 12 months immediately preceding the date of this announcement:

Date(s) of relevant announcement(s)	Fund raising activity	Net proceeds raised	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
25 June 2026, 15 July 2026 and 10 September 2026	Placing of new shares under general mandate	Approximately HK$19.59 million	(i) approximately HK$10.00 million for the establishment and business expansion of the New Subsidiary;	Approximately HK$5.82 million utilised as intended
			(ii) approximately HK$9.59 million for replenishing the Company's general working capital.	Fully utilised as intended

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the Completion (assuming the Placing Shares were placed in full and assuming there is no other change in the issued share capital of the Company between the date of this announcement and the Completion):

	As at the date of this announcement		**Immediately after the Completion**	
	Number of Shares	*Approx. %*	*Number of Shares*	*Approx. %*
Mr. Yu Weijun *(Note 1)*	102,082,520	14.42	102,082,520	12.36
Ms. Chen Wan Ling *(Note 2)*	44,648,107	6.31	44,648,107	5.41
Mr. Liang Hongtao *(Note 3)*	40,668,000	5.75	40,668,000	4.93
Mr. Richard Antony Bennett *(Note 4)*	3,908,099	0.55	3,908,099	0.47
Other public Shareholders	516,403,951	72.97	516,403,951	62.54
Independent placees	–	–	117,951,779	14.29
TOTAL	**707,710,677**	**100.00**	**825,662,456**	**100.00**

Notes:

1. 99,012,168 Shares were held by Tewin Capital Holding Limited ("**Tewin Capital**") which was wholly owned by Mr. Yu Weijun ("**Mr. Yu**"). Mr. Yu was deemed or taken to be interested in the same block of Shares held by Tewin Capital for the purpose of the SFO. 3,070,352 Shares were directly and beneficially owned by Mr. Yu. In total, by virtue of the SFO, Mr. Yu was deemed to hold a long position of 102,082,520 Shares.

2. Kapok Capital Management Limited was wholly owned by Ms. Chen Wan Ling ("**Ms. Chen**"). Therefore, Ms. Chen was deemed or taken to be interested in 44,648,107 Shares held by Kapok Capital Management Limited for the purpose of the SFO.

3. Best Full Investments Limited was wholly owned by Mr. Liang Hongtao ("**Mr. Liang**"). Therefore, Mr. Liang was deemed or taken to be interested in 40,668,000 Shares held by Best Full Investments Limited for the purpose of the SFO.

4. Mr. Richard Antony Bennett, an independent non-executive Director, directly and beneficially holds 3,908,099 Shares.

5. Certain figures and percentage figures included in the above table have been subject to rounding adjustments, and the aggregate of the percentage figures in the above table may not add up to 100% due to rounding of the percentage figures to two decimal places.

General Mandate

The Placing Shares will be issued under the General Mandate granted to the Directors by resolution of the Shareholders passed at the AGM, subject to the limit up to 20% of the then issued share capital of the Company as at the date of the AGM. Under the General Mandate, the Company is authorised to issue up to 117,951,779 new Shares. As at the date of this announcement, the Company had not utilised the General Mandate. Accordingly, the issue of Placing Shares is not subject to any Shareholders' approval.

DEFINITIONS

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

"AGM"	the annual general meeting of the Company held on 30 June 2026 to approve the General Mandate
"Board"	the Board of Directors
"business day"	any day on which banks in Hong Kong are generally open for business (other than Saturday and any day on which a tropical cyclone warning No.8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon)
"Company"	China New Energy Limited (carrying on business in Hong Kong as "Zhongke Tianyuan New Energy Limited"), a company incorporated in Jersey, Channel Islands with limited liability whose issued shares are listed on the Main Board of the Stock Exchange (stock code: 1156)
"Completion"	the completion of the Placing

"Completion Date"	a date falling within five (5) Business Days after the day on which all the conditions after the fulfilment of all the conditions set out in the Placing Agreement such other date as the Placing Agent and the Company may agree in writing
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"General Mandate"	the general mandate which was granted to the Directors pursuant to an ordinary resolution passed at the AGM to issue and allot up to 117,951,779 Shares, representing 20% of the number of Shares in issue on the date of passing such resolution
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	any persons or company and their respective ultimate beneficial owner(s) which, to the best of the Directors' knowledge, information and belief having made all reasonable enquires, are third parties independent of and not connected with the Company and its connected persons
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Placee(s)"	any independent person(s) or entity(ies) procured by the Placing Agent or its sub-placing agent(s) subscribe for any of the Placing Shares under the Placing Agreement
"Placing"	the best-effort placing of up to 117,951,779 Placing Shares on the terms and subject to the conditions set out in the Placing Agreement
"Placing Agent"	Gransing Securities Co., Limited, a corporation licensed to carry out business in Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO

"Placing Agreement"	the agreement entered into between the Placing Agent and the Company dated 9 November in relation to the Placing
"Placing Price"	HK$0.161 per Placing Share
"Placing Share(s)"	up to 117,951,779 new Shares to be placed pursuant to the Placing Agreement
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
"Share(s)"	ordinary share(s) of £0.00025 each in the issue share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial Shareholder"	has the meaning ascribed to it under the Listing Rules
"£"	Great British Pound, the lawful currency of the United Kingdom
"%"	per cent

By order of the Board
China New Energy Limited
Yu Weijun
Chairman

Hong Kong, 9 November 2026

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Yu Weijun (Chairman); and three independent non-executive Directors, namely Mr. Richard Antony Bennett, Mr. Chan Shing Fat Heron and Ms. Zhang Junting.