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新特能源

XINTE ENERGY CO., LTD.

新特能源股份有限公司

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

(Stock code: 1799)

TERMINATION OF EMPLOYEE SHARE OWNERSHIP SCHEME

References are made to the announcements dated 15 March 2022 and 24 December 2024, the circular dated 19 April 2022, and the poll results announcement dated 5 May 2022 of Xinte Energy Co., Ltd. (the “**Company**”), in relation to, among others, the adoption of the 2022 employee share ownership scheme (the “**Employee Share Ownership Scheme**”), and the withdrawal of the application for the proposed A Share Offering of the Company. Capitalized terms used in this announcement shall have the same meanings as defined in the aforementioned announcement and circular unless the context otherwise requires.

To establish an effective incentive mechanism and in connection with the proposed A Share Offering, the Company implemented the Employee Share Ownership Scheme, which was approved by the Company's shareholders at a general meeting. The participants of the Employee Share Ownership Scheme (the “**Participant(s)**”) were 500 Directors, supervisors, senior management, middle management, core technical employees and core business employees employed by the Company on the grant date (i.e., 5 May 2022). The grant shares consisted of 29,940,000 domestic shares of the Company (the “**Subject Shares**”, representing 2.09% of the total share capital of the Company) transferred from TBEA Co., Ltd. (特變電工股份有限公司) (“**TBEA**”), the controlling shareholder of the Company, at a grant price of RMB13.73 per share. The Participants held the Subject Shares indirectly through shareholding platforms established (i.e. 11 Partnerships).

Due to significant changes in the supply and demand dynamics across the photovoltaic industry chain and the fluctuations in the price of polysilicon products, combined with the current conditions of the industry which the Company is engaged in and the actual circumstances of the Company, the Company has withdrawn its application for the proposed A Share Offering in December 2024. Given that the Employee Share Ownership Scheme was implemented as an equity incentive in connection with the proposed A Share Offering and the proposed A Share Offering has now been terminated, the intended purpose of the Employee Share Ownership Scheme can no longer be achieved. After due consideration and based on the authorization granted by the shareholders, the board of Directors (the “**Board**”)

has resolved to terminate the Employee Share Ownership Scheme on 20 April 2025 and authorized management to handle the subsequent matters related to the transfer of Subject Shares, dissolution and liquidation of the Partnerships and distribution of remaining assets.

Each of Mr. Zhang Jianxin and Mr. Hu Weijun, being an executive Director is a Participant of the Employee Share Ownership Scheme, and have abstained from voting on the resolution for considering and approving the termination of the Employee Share Ownership Scheme at the Board meeting. Save as disclosed above, none of the other Directors has or may be regarded as having a material interest in above matters and shall abstain from voting on relevant resolutions at the Board meeting.

TBEA remains confident about the future development of the Group and plans to acquire all the Subject Shares held by the shareholding platforms at RMB417.3636 million following the termination of the Employee Share Ownership Scheme. Upon the Partnerships' disposal of the Subject Shares to TBEA, the Partnerships will be dissolved and liquidated and remaining assets of the Partnerships will be distributed to the Participants in proportion to their capital contribution. The termination of the Employee Share Ownership Scheme is not expected to have any material adverse impact on the Company's daily operations, financial position or development strategies. The Company's management and core employees will continue to work diligently and contribute to the Group's long-term sustainable development.

As the Company does not hold any interest in the Partnerships and is not involved in the arrangements for the disposal of the Subject Shares, the direct disposal of the Subject Shares by the Partnerships to TBEA does not constitute a connected transaction of the Company under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

In the future, the Company will consider factors such as development needs, regulatory policies and market conditions in selecting an appropriate method to establish an effective incentive system, attract and retain outstanding talent, fully motivate employees' enthusiasm and creativity, and promote the healthy and sustainable development of the Group.

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

Xinjiang, the PRC
21 April 2025

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