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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)

DISCLOSEABLE TRANSACTION

DEEMED DISPOSAL IN RELATION TO INTRODUCTION OF A THIRD PARTY INVESTOR FOR CAPITAL INJECTION TO A SUBSIDIARY

CAPITAL INJECTION AGREEMENT

On 18 June 2025, the Company, ABC Financial and Sunoasis entered into the Capital Injection Agreement, pursuant to which ABC Financial agreed to inject RMB1 billion to Sunoasis with monetary funds, of which RMB471,731,300 will be credited to the registered capital of Sunoasis and RMB528,268,700 will be credited to the capital reserve of Sunoasis. Upon completion of the Capital Injection, the Company, CECEP Solar Energy and ABC Financial will hold 91.26%, 0.46% and 8.28% equity interests in Sunoasis, respectively, and Sunoasis will remain a non-wholly owned subsidiary of the Company.

SHAREHOLDERS' AGREEMENT

On 18 June 2025, the Company, ABC Financial and Sunoasis also entered into the Shareholders' Agreement, pursuant to which the exit arrangements of ABC Financial are agreed (among others) as follows: (i) with the unanimous consent of all parties, the Company may acquire the Capital Injection Shares by issuing shares of the Company to ABC Financial; and (ii) in the event of any specific circumstances stipulated in the Shareholders' Agreement, Sunoasis and the Company shall have the right (but no obligation) to conduct targeted capital reduction of Sunoasis or choose to exercise the Option to Acquire Capital Injection Shares to acquire the Capital Injection Shares from ABC Financial.

LISTING RULES IMPLICATIONS

CAPITAL INJECTION

Upon completion of the Capital Injection, the Company's equity interests in Sunoasis will be reduced from 99.49% to 91.26%. Accordingly, the Capital Injection will constitute a deemed disposal under Chapter 14 of the Listing Rules. As the highest applicable percentage ratio in respect of the Capital Injection exceeds 5% but is less than 25%, the Capital Injection constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

OPTION TO ACQUIRE CAPITAL INJECTION SHARES

Pursuant to the Listing Rules, the grant of the Option to Acquire Capital Injection Shares to the Company under the Shareholders' Agreement constitutes a transaction under Chapter 14 of the Listing Rules and is subject to classification based on the percentage ratios as stipulated in the Listing Rules. In respect of the grant of the Option to Acquire Capital Injection Shares, the exercise of which is at the discretion of the Company, only the premium paid at the time of the grant is taken into account in calculating the percentage ratios. As the Company is not required to pay a premium for the grant of the Option to Acquire Capital Injection Shares, the transaction in relation to the grant of the Option to Acquire Capital Injection Shares to the Company does not constitute a notifiable transaction of the Company.

The Company will comply with the applicable Listing Rules when it exercises the Option to Acquire Capital Injection Shares.

CAPITAL INJECTION AGREEMENT

On 18 June 2025, the Company, ABC Financial and Sunoasis entered into the Capital Injection Agreement, the principal terms of which are summarized as follows:

Date: 18 June 2025

Parties:

- (a) The Company
- (b) ABC Financial
- (c) Sunoasis

**Capital Injection and
Consideration:**

ABC Financial agreed to inject RMB1 billion to Sunoasis with monetary funds, of which RMB471,731,300 will be credited to the registered capital of Sunoasis and RMB528,268,700 will be credited to the capital reserve of Sunoasis.

The consideration of the Capital Injection was determined after arm's length negotiations between all parties with reference to the audited net asset value per share of Sunoasis as at 31 December 2024.

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

Unit: RMB0'000

Shareholder	Before the Capital Injection		New capital contribution	Immediately following the Capital Injection	
	Subscribed capital contribution ⁽¹⁾	Shareholding percentage		Subscribed capital contribution	Shareholding percentage
The Company	520,197.36	99.49%	—	520,197.36	91.26%
CECEP Solar Energy	2,642.64	0.51%	—	2,642.64	0.46%
ABC Financial	—	—	47,173.13	47,173.13	8.28%
Total	<u>522,840.00</u>	<u>100.00%</u>	<u>47,173.13</u>	<u>570,013.13</u>	<u>100.00%</u>

Note:

- (1) As of the date of this announcement, the Company and CECEP Solar Energy have completed the paid-in capital contribution in a total amount of RMB5,228,400,000.

Conditions Precedent:

The obligation in relation to the payment of capital injection consideration by ABC Financial is subject to the satisfaction and/or waiver of the following conditions precedent:

- 1) ABC Financial has completed its due diligence on Sunoasis and is satisfied with the results.

- 2) All necessary audits, registrations, filings, approvals, or consents (if applicable) as required by laws, regulations, normative documents, the articles of association of the parties, relevant provisions and competent authorities in respect of the Capital Injection have been obtained;
- 3) The audit on Sunoasis has been completed;
- 4) Sunoasis has issued a legal and valid written resolution to approve the Capital Injection and completed the information disclosure (if necessary);
- 5) All contracts, agreements, and other legal documents related to the Capital Injection have been duly executed by the relevant parties and have taken effect, with no breach occurring since their execution, or if any breach has occurred, it has been resolved or waived to the satisfaction of ABC Financial;
- 6) The capital injection escrow account of Sunoasis has been opened;
- 7) The Company and ABC Financial have reached a written agreement on the amendments to the articles of association of Sunoasis regarding the Capital Injection;
- 8) As of the Completion Date, the representations, warranties and undertakings made by Sunoasis and the Company under the Capital Injection Agreement remain true, complete and accurate, and there is no material environmental, social and governance risk in Sunoasis;
- 9) As of the Completion Date, there is no material adverse change in the financial, business operation and asset conditions of Sunoasis and the Company from those at the time of execution of the Capital Injection Agreement;
- 10) ABC Finance has passed its internal investment decision on the Capital Injection;
- 11) Sunoasis and the Company have provided written confirmation and relevant supporting documents to ABC Financial that all the conditions precedent have been satisfied.

If such conditions precedent are not fully satisfied or waived in writing by ABC Financial within 30 days from the date of entering into the Capital Injection Agreement, ABC Financial shall have the right to choose by written notice: (1) to extend the aforesaid period; or (2) to terminate the Capital Injection Agreement.

Payment:

After the Capital Injection Agreement becomes effective and provided that the conditions precedent are fulfilled (or fully or partially waived), ABC Financial shall pay the consideration of the Capital Injection to Sunoasis in one lump sum with monetary funds in accordance with the payment notice issued by Sunoasis.

Completion and
Procedures:

The date on which the consideration of the Capital Injection is paid shall be the Completion Date. From the Completion Date, ABC Financial shall enjoy the corresponding rights as a shareholder and undertake the corresponding obligations as a shareholder in proportion to its capital contribution pursuant to the provisions of laws, regulations, the Capital Injection Agreement, articles of association of Sunoasis and other transaction documents. Sunoasis shall issue a capital contribution certificate and its updated register of members within 5 working days from the Completion Date to ABC Financial. Within 45 days from the Completion Date, Sunoasis shall complete the registration of changes in the relevant entities and obtain a new business license.

Corporate Governance
Arrangement:

After the completion of the Capital Injection, the board of directors of Sunoasis will comprise a total of seven directors, of which ABC Financial is entitled to nominate one.

Target Performance:

Upon the Capital Injection Agreement taking effect, during any financial year when ABC Financial holds equity interests in Sunoasis, Sunoasis's distributable profits expected to be realized on a consolidated basis (i.e. the net profit attributable to the parent company based on the audited consolidated statements for the current year after deducting the amount of statutory surplus reserve) shall not be lower than RMB863,000,000.

Profit Distribution	<p>During the period in which ABC Financial holds the equity interests in Sunoasis, each shareholder of Sunoasis shall be entitled to all the distributable profits (including but not limited to the distributable profits realized for the year and the accumulated undistributed profits, etc.) of Sunoasis in accordance with the proportion of their paid-in capital contribution and profit distribution plan. Sunoasis should calculate the annual dividend targets of each shareholder based on their paid-in capital contribution and dividend ratio when formulating the profit distribution plan (the “Annual Expected Dividend Amount”), being:</p> <p>The Annual Expected Dividend Amount = Sunoasis’ distributable profits expected to be realized for the year × dividend ratio (not less than 70% in principle) × shareholders’ paid-in capital contribution proportion</p>
Anti-dilution:	<p>After the signing of the Capital Injection Agreement, whenever Sunoasis conducts any new equity financing, if the financing price, conditions or terms of the new financing are more favourable than those under the Capital Injection, ABC Financial shall be entitled to such more favourable financing price, conditions or terms automatically.</p>
Transfer Restriction:	<p>During the period in which ABC Financial holds the equity interests in Sunoasis, the Company shall not, except with the approval of ABC Financial or otherwise agreed in the Capital Injection Agreement, sell, gift, pledge, encumber or otherwise dispose of any equity interests it held in Sunoasis.</p>
Tag-along Right:	<p>In the event that the Company sells its equity interests in Sunoasis to a third party, ABC Financial shall have the right to require the Company to arrange the sale of the equity interests in Sunoasis held by ABC Financial together on the same terms and conditions in accordance with the Capital Injection Agreement.</p>

SHAREHOLDERS' AGREEMENT

On 18 June 2025, the Company, ABC Financial and Sunoasis also entered into the Shareholders' Agreement, the principal terms of which are summarized as follows:

Date: 18 June 2025

Parties:

- (a) The Company
- (b) ABC Financial
- (c) Sunoasis

Asset Restructuring for Investment Exit: With the unanimous consent of all parties, Sunoasis and the Company will make every necessary effort to initiate the issuance of shares by the Company to ABC Financial to acquire the Capital Injection Shares (the “**Asset Restructuring**”) within 60 months after the Completion Date or within an agreed extension period.

Targeted Capital Reduction for Investment Exit or Option to Acquire Capital Injection Shares: Upon the occurrence of any of the following specific circumstances, Sunoasis and the Company shall have the right (but no obligation) to (i) conduct targeted capital reduction of Sunoasis; or (ii) on its own or by a designated third party, acquire the Capital Injection Shares by exercising the Option to Acquire Capital Injection Shares to acquire the Capital Injection Shares from ABC Financial, and the exercise of such option is at the sole discretion of the Company or Sunoasis. No premium is payable for the grant of the Option to Acquire Capital Injection Shares to the Company.

“Specific Circumstances” include:

- (a) After 60 months from the Completion Date, the Company fails to successfully complete the Asset Restructuring, or although Sunoasis proceeds with the Asset Restructuring, ABC Financial decides not to participate in it, or the Company or its designated third party fails to acquire the equity interests in Sunoasis held by ABC Financial through a manner agreed by both parties through negotiation and the parties fail to reach an agreement on the extension of the investment period. In particular, if the Company fails to submit formal application documents for the Asset Restructuring to the relevant regulatory authorities within 12 months before the expiry of the above-mentioned period, this specific circumstance can be deemed to have occurred.
- (b) During the period in which ABC Financial holds the equity interests in Sunoasis, the realized distributable profit of Sunoasis for the year is lower than 80% of the performance target as agreed in the Capital Injection Agreement, unless otherwise agreed between ABC Financial and the Company.
- (c) During the period in which ABC Financial holds the equity interests in Sunoasis, Sunoasis fails to convene a general meeting to consider profit distribution matters as agreed in the Capital Injection Agreement, or the parties fail to reach a unanimous resolution in relation to the dividend matters at the general meeting, or Sunoasis fails to distribute dividends as agreed.
- (d) The gearing ratio of Sunoasis based on the audited annual consolidated statements at the end of any year (including the year in which the Completion Date occurs) after the completion of debt repayment exceeds 75%, and it is not properly resolved within the grace period then given by ABC Financial, unless otherwise waived in writing by ABC Financial.

- (e) Sunoasis or the Company breaches the Capital Injection Agreement, the Shareholders' Agreement or the escrow account supervision agreement in relation to the opening of an escrow account of Sunoasis, and fails to properly solve such issue within the grace period then given by ABC Financial; unless otherwise waived in writing by ABC Financial.
- (f) Risks of bankruptcy or liquidation have arisen in Sunoasis, including but not limited to any involuntary or voluntary bankruptcy, suspension, liquidation, revocation, closure, striking off or deregistration procedures; unless it has been waived in writing by ABC Financial.
- (g) Significant risk events, material illegal acts or circumstances that would seriously affect the Company's ability to acquire the equity interests in Sunoasis have occurred in respect of the de facto controllers of Sunoasis or the Company.
- (h) There is a change in the de facto controllers of Sunoasis or the Company.
- (i) The investment objectives of ABC Financial cannot be achieved due to force majeure or other statutory or contractual reasons.

Upon the occurrence of any one of the above specific circumstances, ABC Financial may issue a written notice to Sunoasis or the Company, informing Sunoasis or the Company to consider the targeted capital reduction or to exercise the Option to Acquire Capital Injection Shares by the Company or a designated third party. The exit price will be calculated according to the following formula.

Formula 1:

Exit Price = The appraisal price of all the equity interests of Sunoasis from an asset appraisal institution × the proportion of equity interests in Sunoasis then held by ABC Financial.

If all parties fail to reach an agreement on the appraisal price as stated in the abovementioned Formula 1, the exit price shall be calculated according to the Formula 2 below.

Formula 2:

Exit Price = Capital injection amount of ABC Financial + (the cumulative sum of Annual Expected Dividend Amount to ABC Financial - actual cumulative dividend amount received by ABC Financial) / 0.75 (or 0, if the difference between the total expected dividend amount of ABC Financial in each year and the actual dividend amount received by ABC Financial is negative, i.e, Exit Price = Capital injection amount of ABC Financial).

Extension of Investment Period:	Within 3 months before the expiry date of the term under item (a) of the specific circumstances, ABC Financial, Sunoasis or the Company may initiate a written application for the extension of the investment period. When all parties reach an agreement on the extension of the investment period, it is deemed that no specific circumstances have been triggered and the investment continues. If all parties fail to reach an agreement on the extension of the investment period, or if any of specific circumstances occurs and ABC Financial fails to exit the investment through the targeted capital reduction of Sunoasis or the exercise by the Company or Sunoasis of the Option to Acquire Capital Injection Shares, ABC Financial may transfer all or part of the equity interests in Sunoasis held by it to a third party.
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INFORMATION ON SUNOASIS

Sunoasis is a company incorporated in the PRC with limited liability on 30 August 2000. As at the date of this announcement, the Company and CECEP Solar Energy, an independent third party of the Company, hold 99.49% and 0.51% equity interests in Sunoasis respectively and Sunoasis is a non-wholly owned subsidiary of the Company. Its principal business is the development, construction and operation of wind energy and photovoltaic resources; and the research and development, manufacturing and sale of inverters, flexible direct current transmission converter valves, static volt-ampere reactive (VAR) generators and other products. Upon completion of the Capital Injection, Sunoasis will be owned as to approximately 91.26%, 0.46% and 8.28% by the Company, CECEP Solar Energy and ABC Financial respectively.

Sunoasis' financial information during the following periods is set out as follows:

	For the year ended 31 December 2023 (audited) RMB(0'000)	For the year ended 31 December 2024 (audited) RMB(0'000)
Operating revenue	1,070,464.14	1,259,132.61
Net profit before tax	107,282.30	138,433.14
Net profit after tax	89,907.02	108,705.64

Based on the audited financial information, the total assets and net assets of Sunoasis were approximately RMB41,937,210,100 and RMB11,083,428,600 as at 31 December 2024, respectively.

INFORMATION ABOUT ABC FINANCIAL

ABC Financial, the third party investor, is a company incorporated in the PRC with limited liability on 1 August 2017, which is wholly-owned by Agricultural Bank of China Limited (the A shares of which are listed on the Shanghai Stock Exchange (stock code: 601288) and the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 01288)). ABC Financial is one of the first batch of market-driven debt-to-equity swap institutions approved to be established in the PRC, and its main business are focusing on debt-to-equity swap and ancillary support business; raising funds from qualified social investors to implement debt-to-equity swap according to laws and regulations; issuing financial bonds; and other businesses approved by the banking regulatory authority of the State Council.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, ABC Financial and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

INFORMATION ABOUT THE COMPANY

The Company is a leading global polysilicon manufacturer and a developer and operator of wind power and photovoltaic resources. Its principal businesses include the production of polysilicon and the provision of engineering and construction contracting and operating services for photovoltaic and wind power projects, and it is also engaged in the manufacturing of supporting equipment (mainly inverters, flexible direct current transmission converter valves and static VAR generators), which are used for the engineering and construction contracting business of the Company or sold to independent third parties.

REASONS FOR AND BENEFITS OF THE CAPITAL INJECTION

In order to expand the financing channels, lower the gearing ratio of Sunoasis, supplement the capital required for production and operation, and reduce financial expenses and financing costs, the introduction of ABC Financial to inject capital in Sunoasis is beneficial to the enhancement of the Group's competitiveness and sustainable development capability, and further supporting the expansion, strengthening and optimization of the Group's new energy business.

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

FINANCIAL EFFECT OF THE CAPITAL INJECTION ON THE GROUP AND USE OF PROCEEDS

Upon completion of the Capital Injection, the registered capital of Sunoasis will increase from RMB5,228,400,000 to RMB5,700,131,300 and the Company's equity interests in the Sunoasis will decrease from 99.49% to 91.26%. Sunoasis will remain as a non-wholly owned subsidiary of the Company and its financial results will continue to be consolidated in that of the Group.

It is expected that the Group will not record any gain or loss from the Capital Injection. Sunoasis will use the proceeds from the Capital Injection to repay its existing debts. The Group's liabilities will decrease by RMB1 billion, while the equity interest will increase by RMB1 billion, which will help to release the financing capacity of Sunoasis and provide further support for the development and operation of the wind power and photovoltaic resources. The Capital Injection will bring in more capital to the Group, achieve a decrease in the Group's gearing ratio, improve its gearing structure, increase the financing capacity for new projects in the future and mitigate the Group's financial risks.

LISTING RULES IMPLICATIONS

CAPITAL INJECTION

Upon completion of the Capital Injection, the Company's equity interests in Sunoasis will be reduced from 99.49% to 91.26%. Accordingly, the Capital Injection will constitute a deemed disposal under Chapter 14 of the Listing Rules. As the highest applicable percentage ratio in respect of the Capital Injection exceeds 5% but is less than 25%, the Capital Injection constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

OPTION TO ACQUIRE CAPITAL INJECTION SHARES

Pursuant to the Listing Rules, the grant of the Option to Acquire Capital Injection Shares to the Company under the Shareholders' Agreement constitutes a transaction under Chapter 14 of the Listing Rules and is subject to classification based on the percentage ratios as stipulated in the Listing Rules. In respect of the grant of the Option to Acquire Capital Injection Shares, the exercise of which is at the discretion of the Company, only the premium paid at the time of the grant is taken into account in calculating the percentage ratios. As the Company is not required to pay a premium for the grant of the Option to Acquire Capital Injection Shares, the transaction in relation to the grant of the Option to Acquire Capital Injection Shares to the Company does not constitute a notifiable transaction of the Company.

The Company will comply with the applicable Listing Rules when it exercises the Option to Acquire Capital Injection Shares.

DEFINITIONS

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

“ABC Financial”	ABC Financial Asset Investment Co. Ltd. (農銀金融資產投資有限公司), a company incorporated in the PRC with limited liability, which is wholly-owned by Agricultural Bank of China Limited
“Board”	the board of Directors of the Company

“Company”	Xinte Energy Co., Ltd. (新特能源股份有限公司), a company incorporated in the PRC with limited liability on 20 February 2008, which was converted into a joint stock limited liability company on 16 October 2012, the H Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 1799)
“Completion Date”	the date on which the consideration of the Capital Injection is paid by ABC Financial is the completion date according to the Capital Injection Agreement
“Director(s)”	the director(s) of the Company
“Capital Injection”	the capital injection in the amount of RMB1 billion with monetary funds by ABC Financial to Sunoasis under the terms and conditions of the Capital Injection Agreement
“Capital Injection Agreement”	the agreement entered into among the Company, ABC Financial and Sunoasis on 18 June 2025 in relation to the Capital Injection by ABC Financial to Sunoasis
“Capital Injection Shares”	the shares issued pursuant to the Capital Injection Agreement, representing approximately 8.28% of the enlarged equity interests of Sunoasis, to be held by ABC Financial upon the completion of the Capital Injection
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option to Acquire Capital Injection Shares”	the rights granted to the Company and Sunoasis to acquire the Capital Injection Shares from ABC Financial at the exit price under specific circumstances stipulated in the Shareholders’ Agreement pursuant to and subject to the terms and conditions of the Shareholders’ Agreement
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC

“Shareholders’ Agreement”	the agreement entered into among the Company, ABC Financial and Sunoasis on 18 June 2025, the details of which are set out in the section headed “Shareholders’ Agreement” of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the same meaning as ascribed to it under the Listing Rules
“Sunoasis”	TBEA Xinjiang Sunoasis Co., Ltd. (特變電工新疆新能源股份有限公司), a joint stock company incorporated in the PRC on 30 August 2000 with limited liability, and a non-wholly owned subsidiary of the Company as at the date of this announcement
“CECEP Solar Energy”	CECEP Solar Energy Technology Co., Ltd. (中節能太陽能科技有限公司), a limited liability company incorporated in the PRC on 11 September 2009, which will hold approximately 0.46% equity interests in Sunoasis after the completion of the Capital Injection
“%”	per cent

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

Xinjiang, the PRC
18 June 2025

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