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If you have sold or transferred all your securities in **Xinte Energy Co., Ltd.** you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**100,000-TON-PER-ANNUM HIGH-PURITY POLYSILICON
GREEN ENERGY CIRCULAR ECONOMY CONSTRUCTION PROJECT
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

The notice convening the EGM to be held at the Conference Room, International Conference Center at No.189, South Beijing Road, Changji, Xinjiang, the PRC at 11 a.m. on Thursday, 25 March 2021, is set out on pages EGM-1 to EGM-2 of this circular.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For holders of H Shares, the form of proxy should be returned to Computershare Hong Kong Investor Services Limited and for holders of Domestic Shares, the form of proxy should be returned to the Company's board secretary office not less than 24 hours before the time fixed for holding the EGM (i.e. no later than 11 a.m. on Wednesday, 24 March 2021 or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any other adjourned meeting should you so wish.

5 March 2021

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DEFINITIONS

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

“100,000-ton Polysilicon Project” or “the Project”	the 100,000-ton-per-annum high-purity polysilicon green energy circular economy construction project in Shangejia Chemical Park, a new type industrial park zone in Tumed Right Banner, Baotou City, Inner Mongolia Autonomous Region, PRC
“Articles of Association”	the articles of association adopted by the Company
“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	Xinte Energy Co., Ltd. (新特能源股份有限公司), a joint stock company with limited liability incorporated under the laws of the PRC on 20 February 2008
“Director(s)”	the director(s) of the Company
“Domestic Shares”	ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
“EGM”	the first extraordinary general meeting of 2021 of the Company to be held at the Conference Room, International Conference Center at No. 189, South Beijing Road, Changji, Xinjiang, the PRC at 11:00 a.m. on Thursday, 25 March 2021
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Shares”	foreign shares listed overseas with a par value of RMB1.00 per share in the share capital of the Company, which are subscribed and traded in Hong Kong dollars, and listed on the Stock Exchange

DEFINITIONS

“Inner Mongolia Xinte”	Inner Mongolia Xinte Silicon Materials Co., Ltd* (內蒙古新特硅材料有限公司), a company established under the laws of the PRC with limited liability on 9 February 2021 and a wholly-owned subsidiary of the Company as at the date of this circular
“Investment Framework Agreement”	the investment framework agreement entered into between the Company, the Baotou Municipal Government and the Tumed Right Banner Government on 8 February 2021
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PV”	photovoltaic
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the same meaning as ascribed to it under the Listing Rules

* *For identification purpose only*

LETTER FROM THE BOARD

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)

Executive Directors:

Mr. Zhang Jianxin (*Chairman*)

Mr. Yin Bo

Mr. Xia Jinjing

Non-executive Directors:

Mr. Zhang Xin

Ms. Guo Junxiang

Independent Non-executive Directors:

Mr. Qin Haiyan

Mr. Yang Deren

Mr. Wong, Yui Keung Marcellus

Registered office:

No. 2249, Zhongxin Street

Ganquanpu Economic and
Technological Development Zone
(Industrial Park)

Urumqi, Xinjiang, the PRC

Headquarters and

principal place of business in the PRC:

No. 2249, Zhongxin Street

Ganquanpu Economic and
Technological Development Zone
(Industrial Park)

Urumqi, Xinjiang, the PRC

Principal place of business in Hong Kong:

40th Floor, Sunlight Tower

No. 248 Queen's Road East
Wanchai, Hong Kong

5 March 2021

To the Shareholders

Dear Sir or Madam,

**100,000-TON-PER-ANNUM HIGH-PURITY POLYSILICON
GREEN ENERGY CIRCULAR ECONOMY CONSTRUCTION PROJECT
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

References are made to the announcements of the Company dated 8 February 2021 and 1 March 2021 in relation to entering into of the Investment Framework Agreement and the Project, respectively.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with the information in relation to the Project to enable you to make informed decision on whether to vote for or against the resolution to be proposed at the EGM.

Background of the Project

In order to seize the rapid development opportunities of the global PV industry, further enhance the Group's core competitiveness in the new energy industry and increase profitability, the Company intends to proceed with the 100,000-ton Polysilicon Project to consolidate the Company's leading position in the industry by improving its polysilicon production capacity and quality and further lowering its costs.

Details of the Project

The Company intends to proceed with the Project through Inner Mongolia Xinte. Upon completion of the Project, the Group's annual polysilicon production capacity will increase by 100,000 tonnes. The total amount of the Project will be approximately RMB8.799 billion (tax inclusive), and the capital will be RMB5 billion.

The Company will pay for the amounts required for the Project using its own funds, external funding, introduction of independent strategic investors, bank loans or finance leases.

Reasons for and Benefits of Implementing the Project

Polysilicon is a technology-intensive industry. Polysilicon products are mainly used in the PV industry and the electronic information industry, which belong to the PRC new energy industry and strategic emerging industry, respectively. Developing the PV industry is an important way to realize the adjustment of the energy structure. As the cost of PV power generation is reduced year by year and the grid parity is achieved, the competitive advantage of PV power generation has become more and more distinct and it has gradually become one of the ways for countries to adjust their energy structure, ensure energy supply, and realize the future of "peak carbon dioxide emissions and carbon neutrality", indicating broad market prospects in the future. As the basic raw material of the PV industry, it is expected that the demand of polysilicon will increase significantly.

Furthermore, production of polysilicon is a high energy consumption industry, and electricity costs currently account for more than 30% of the polysilicon production cost. The annual electricity consumption for production of the Project exceeds 6 billion kWh, denoting large demand for electricity. The new-type industrial park zone in Tumed Right Banner is the only demonstration park with direct electricity supply in Inner Mongolia Autonomous Region, which can meet the electricity supply requirements of the Project and provide competitive electricity price for the Project. Therefore, carrying out the Project in Tumed Right Banner, Baotou City, Inner Mongolia Autonomous Region will further take advantages of scales and resources to reduce the costs and improve the competitiveness of the Group.

LETTER FROM THE BOARD

The Directors (including the independent non-executive Directors) consider that the Project will be beneficial to the Group as it could utilise its advantages in local resources, leveraging the long-term accumulated technology, management, product quality and customer advantages to further reduce production costs and improve product quality through technological innovation and scale production; it is also conducive to enhancing the market competitiveness of the Group's polysilicon products and strengthening the profitability of the Group, all of which are beneficial to the healthy, long-term and sustainable development of the Group's new energy businesses, and is in the interest of the Company and the Shareholders as a whole.

None of the Directors has any material interest in the Project. The Directors (including the independent non-executive Directors) unanimously passed the resolution to proceed with the 100,000-ton Polysilicon Project at the Board meeting.

Information of the Company

The Company's principal business activities include the production of polysilicon and the provision of engineering and construction contracting and operating services for PV and wind power projects. The Company is also engaged in the manufacturing of supporting equipment (mainly inverters, flexible direct current and static VAR generators), which are used for the engineering and construction contracting business of the Company or sold to independent third-parties.

Listing Rules Implications

As the Company's principal business activities include the production of polysilicon, and the Project is for the Group's ordinary and usual course of business, the Project does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules; and it also does not constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. If any agreement entered into between the Company and any supplier or investor during the implementation of the Project shall be disclosed in accordance with the requirements of the Listing Rules, further announcement(s) will be published upon the entering into of such agreements.

As the amount involved in the 100,000-ton Polysilicon Project is expected to exceed the Board's authority, a general meeting shall be convened by the Company to seek the Shareholders' approval according to the Articles of Association.

EGM

The EGM will be held at the Conference Room, International Conference Center at No. 189, South Beijing Road, Changji, Xinjiang, the PRC on Thursday, 25 March 2021 at 11:00 a.m., to consider and, if thought fit, to approve the 100,000-ton-per-annum Polysilicon Project. The notice of the EGM and a form of proxy for use at the EGM is enclosed with this circular.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, none of the Shareholders has any material interest in the 100,000-ton Polysilicon Project. As a result, none of the Shareholders will be required to abstain from voting at the EGM.

In order to determine the holders of Shares who are eligible to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 22 March 2021 to Thursday, 25 March 2021, both days inclusive, during which no transfer of Shares will be effected. Shareholders whose names appear on the register of members of the Company after the close of business on Friday, 19 March 2021 shall be entitled to attend and vote at the EGM. In order for the Shareholders to qualify to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Board secretary office (in case of holders of Domestic Shares), at No. 399, South Changchun Road, New Downtown, Urumqi, Xinjiang, the PRC, or the Company's H share registrar (in case of holders of H Shares), Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, 19 March 2021 for registration.

Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For holders of H Shares, the form of proxy should be returned to Computershare Hong Kong Investor Services Limited and for holders of Domestic Shares, the form of proxy should be returned to the Company's Board secretary office in person or by post not less than 24 hours before the time fixed for holding the EGM (i.e. no later than 11 a.m. on Wednesday, 24 March 2021) or any adjourned meeting thereof.

VOTING BY POLL AT EGM

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders of a listed issuer at the issuer's general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the EGM will therefore demand a poll for the resolution put to the vote at the EGM pursuant to the Articles of Association.

LETTER FROM THE BOARD

On a poll, every Shareholder present in person or by proxy to attend the EGM (or being a corporation by its duly authorized representative) shall have one vote for each Share registered in his/her/its name in the register of members. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/its uses in the same manner.

RECOMMENDATION

The Board considers that the resolution set out in the Notice of EGM is in the best interests of the Company and its Shareholders. As such, the Board recommends the Shareholders to vote in favour of the proposed resolution.

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

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)

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2021

NOTICE IS HEREBY GIVEN that the first extraordinary general meeting of 2021 (the “**EGM**”) of Xinte Energy Co., Ltd. (the “**Company**”) will be held at the Conference Room, International Conference Center at No. 189, South Beijing Road, Changji, Xinjiang, the People's Republic of China (the “**PRC**”) at 11 a.m. on Thursday, 25 March 2021 to consider and, if thought fit, approve the resolution set out below as ordinary resolution.

ORDINARY RESOLUTION

To consider and approve the 100,000-ton-per-annum high-purity polysilicon green energy circular economy construction project in Tumed Right Banner, Baotou City, Inner Mongolia Autonomous Region, PRC; and the directors of the Company acting together or by committee, or any director of the Company acting individually, be and is hereby authorised to do all such further acts and things and execute such further documents and take all such steps which in his/her/their opinion may be necessary, desirable or expedient to implement and/or give effect to the above matter.

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

Xinjiang, the PRC
5 March 2021

Notes:

1. **Important:** A circular setting out details of the resolution to be approved in this EGM and the form of proxy of the EGM were dispatched and published by the Company on 5 March 2021.
2. In order to determine shareholders of the Company (the “**Shareholders**”) who are eligible to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 22 March 2021 to Thursday, 25 March 2021, both days inclusive, during which no transfer of shares will be registered. Shareholders whose names appear on the register of members of the Company after the close of business on Friday, 19 March 2021 shall be entitled to attend and vote at the EGM. In order for the Shareholders to qualify to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Board secretary office (in case of holders of domestic shares), at No. 399, South Changchun Road, New Downtown,

NOTICE OF EXTRAORDINARY GENERAL MEETING

Urumqi, Xinjiang, the PRC, or the Company's H share registrar (in case of holders of H shares), Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, 19 March 2021 for registration.

3. Shareholders may, by completing the form of proxy of the Company, appoint one or more proxies (whether he/she is a Shareholder) to attend and vote at the EGM (or any adjournment thereof) on his/her behalf. The proxy needs not be a Shareholder of the Company.
4. Shareholders must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant Shareholder or by a person duly authorised by the relevant Shareholder in writing ("**power of attorney**"). If the form of proxy is signed by the person authorised by the relevant Shareholder as aforesaid, the relevant power of attorney and other relevant documents of authorization (if any) must be notarised. If a corporate Shareholder appoints a person other than its legal representative to attend the EGM (or any adjournment thereof) on its behalf, the relevant form of proxy must be affixed with the company seal of the corporate Shareholder or signed by its director or any other person duly authorised by that corporate Shareholder as required by the Articles.
5. To be valid, the form of proxy and the relevant notarised power of attorney (if any) and other relevant authority (if any) as mentioned in note 4 above must be delivered to the Company's Board secretary office at No. 399, South Changchun Road, New Downtown, Urumqi, Xinjiang, the PRC (for holders of domestic shares), or the Company's H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares) no later than 24 hours before the time appointed for the EGM (or any adjournment thereof) (i.e. no later than 11 a.m. on Wednesday, 24 March 2021).
6. A Shareholder or his/her proxy should produce proof of identity when attending the EGM (or any adjournment thereof). If a corporate Shareholder's legal representative or any other person duly authorised by such corporate Shareholder attends the EGM (or any adjournment thereof), such legal representative or other person shall produce his/her proof of identity, and proof of designation as legal representative or the valid authorisation document (as the case may be).
7. The EGM (or any adjournment thereof) is expected to take less than half a day. Shareholders or their proxies who attend the EGM (or any adjournment thereof) shall be responsible for their own travel and accommodation expenses.
8. The contact information of the Board secretary office of the Company is as follows:

Address: No. 399, South Changchun Road, New Downtown, Urumqi, Xinjiang, the PRC
Contact person: Ms. Zhang Juan
Tel: +86-991-3665888

As at the date of this notice, the Board consists of Mr. Zhang Jianxin, Mr. Yin Bo and Mr. Xia Jinjing as executive Directors; Mr. Zhang Xin and Ms. Guo Junxiang as non-executive Directors; and Mr. Qin Haiyan, Mr. Yang Deren and Mr. Wong, Yui Keung Marcellus as independent non-executive Directors.