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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)

INSIDE INFORMATION UPDATES ON LITIGATION INVOLVING A SUBSIDIARY

This announcement is made by Xinte Energy Co., Ltd. (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 20 May 2020, 22 June 2020, 4 December 2020, 28 December 2020, 3 March 2021 and 29 April 2021 in relation to the litigation involving a subsidiary of the Company (the “**Announcements**”). Unless otherwise defined, capitalized terms used in this announcement shall bear the same meanings as those defined in the Announcements.

The Board was informed by Sunoasis (previously translated as Xinjiang New Energy) that on 22 February 2022, Sunoasis received the enforcement judgment (2021) Jing 02 Zhi No. 962* ((2021)京02執962號《執行裁定書》) (the “**Enforcement Judgment**”) from the Intermediate People’s Court of Beijing. Due to a separate debt dispute, 100% equity interest in Xuyi High Drive, which has a registered capital of RMB160 million, held by Jiangsu High Drive was auctioned off by the Intermediate People’s Court of Beijing in accordance with laws. According to the valuation conducted by the valuer engaged by the Intermediate People’s Court of Beijing, the appraised value of such equity interest amounted to RMB107,819,000, and the starting bidding price was RMB75,473,300. Sunoasis participated in the open auction and won the bidding of the 100% equity interest in Xuyi High Drive with the highest bidding price of RMB75,473,300. Sunoasis, as the pledgee, offset the payment for the auction with the creditor’s rights it is entitled to. The 100% equity

interest in Xuyi High Drive held by Jiangsu High Drive and other corresponding rights shall be owned by Sunoasis, and Sunoasis may complete the relevant property rights transfer and registration procedures with the Enforcement Judgment at the relevant government authorities. Since Sunoasis obtained the 100% equity interest in Xuyi High Drive through the open auction, Xuyi High Drive became the wholly-owned subsidiary of Sunoasis. Sunoasis can obtain revenue by disposing the assets or by operating power stations owned by Xuyi High Drive to recover receivables due from Xuyi High Drive.

As at the date of this announcement, Sunoasis has recovered certain receivables, including the revenue from the generation of electricity of RMB69,423,200 from Xuyi High Drive, the executed guarantor's property of RMB2,462,500 and the payment for the auction of RMB75,473,300 which were used to offset the payables due from Xuyi High Drive to Sunoasis.

As none of the relevant applicable percentage ratios calculated in accordance with the Listing Rules in respect of the acquisition of equity interests in Xuyi High Drive through the open auction was more than 5%, it did not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

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

Xinjiang, the PRC
23 February 2022

As at the date of this announcement, the Board consists of Mr. Zhang Jianxin, Mr. Yin Bo and Mr. Xia Jinjing as executive directors; Mr. Zhang Xin, Mr. Huang Hanjie and Ms. Guo Junxiang as non-executive directors; Mr. Cui Xiang, Mr. Chen Weiping and Mr. Tam, Kwok Ming Banny as independent non-executive directors.

* *for identification purpose only*