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**PUXING ENERGY LIMITED**  
**普星能量有限公司**

*(Incorporated in Cayman Islands with limited liability)*

**(Stock Code: 90)**

**(1) PROPOSED ADOPTION OF NEW MEMORANDUM  
AND ARTICLES OF ASSOCIATION  
AND  
(2) MAJOR AND CONTINUING CONNECTED  
TRANSACTIONS IN RELATION TO  
THE NEW FINANCIAL SERVICES AGREEMENT**

**(1) PROPOSED ADOPTION OF NEW MEMORANDUM AND ARTICLES OF ASSOCIATION**

The Board is pleased to announce that in order to (i) provide flexibility to the Company in relation to the conduct of general meetings; (ii) bring the Memorandum and Articles of Association in line with the relevant requirements of the applicable laws of the Cayman Islands and the Listing Rules; and (iii) make other consequential and housekeeping amendments, and in view of the number of proposed changes, the Board proposes to seek approval of the Shareholders by special resolution at the AGM to amend the existing Memorandum and Articles of Association by way of adoption of the new Memorandum and Articles of Association in substitution for, and to the exclusion of, the existing Memorandum and Articles of Association.

**(2) MAJOR AND CONTINUING CONNECTED TRANSACTIONS**

**NEW FINANCIAL SERVICES AGREEMENT**

Reference is made to the announcement of the Company dated 22 January 2020 in relation to the major and continuing connected transactions for the provision of certain financial services by Wanxiang Finance under the Old Financial Services Agreement, which will expire on 31 December 2022. On 30 March 2022, the Company entered into the New Financial Services Agreement with Wanxiang Finance, pursuant to which Wanxiang Finance has agreed to provide certain financial services, including, *inter alia*, deposit services, bills acceptance services and bills discounting services to the Group in accordance with the terms and conditions set out in the New Financial Services Agreement. Wanxiang Finance is a non-banking financial institution regulated by the CBIRC.

## THE LISTING RULES IMPLICATIONS

Wanxiang Finance is a subsidiary of Wanxiang Group, the controlling Shareholder indirectly interested in approximately 65.42% of the issued share capital of the Company. Accordingly, Wanxiang Group and Wanxiang Finance are both connected persons of the Company. Therefore, the transactions contemplated under the New Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios calculated in accordance with the Listing Rules for each of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement for the three years ending 31 December 2025 exceed the 5% Threshold, the provision of each of the deposit services, bills acceptance services and bills discounting services by Wanxiang Finance to the Group and the proposed New Caps for the relevant periods are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Further, as the provision of deposit services by Wanxiang Finance to the Group under the New Financial Services Agreement also constitutes a transaction under Rule 14.04(1)(e) of the Listing Rules and as one of the applicable percentage ratios calculated in accordance with the Listing Rules for the deposit services under the New Financial Services Agreement exceeds 25% but all of which are less than 100%, the provision of the deposit services by Wanxiang Finance to the Group constitutes a major transaction of the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

A circular containing, *inter alia*, (i) further details of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement and the proposed New Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the terms of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement and the proposed New Caps; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the terms of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement and the proposed New Caps; and (iv) a notice convening the AGM, will be despatched to the Shareholders in due course. As additional time is required to prepare and finalise certain information to be contained in the circular, the Company expects to despatch the circular on or before 18 May 2022.

**(1) PROPOSED ADOPTION OF NEW MEMORANDUM AND ARTICLES OF ASSOCIATION**

The Board is pleased to announce that in order to (i) provide flexibility to the Company in relation to the conduct of general meetings; (ii) bring the Memorandum and Articles of Association in line with the relevant requirements of the applicable laws of the Cayman Islands and the Listing Rules; and (iii) make other consequential and housekeeping amendments, and in view of the number of proposed changes, the Board proposes to seek approval of the Shareholders by special resolution at the AGM to amend the existing Memorandum and Articles of Association by way of adoption of the new Memorandum and Articles of Association in substitution for, and to the exclusion of, the existing Memorandum and Articles of Association.

A summary of the major changes brought about by the adoption of the new Memorandum and Articles of Association are set out below:

1. to reflect the current name and current share capital of the Company;
2. to allow all general meetings (including, *inter alia*, an annual general meeting, an extraordinary general meeting, any adjourned meeting or postponed meeting) to be held as a physical meeting in any part of the world and at one or more locations, or as a hybrid meeting or an electronic meeting;
3. to include the definition of “Act”, “announcement”, “close associate”, “electronic communication”, “electronic meeting”, “Hong Kong”, “hybrid meeting”, “Listing Rules”, “Meeting Location”, “physical meeting” and “Principal Meeting Place” to align the relevant provision in the new Memorandum and Articles of Association with the applicable laws of the Cayman Islands and the Listing Rules, and making corresponding changes to the relevant articles;
4. to allow the Board to accept the surrender for no consideration of any fully paid share;
5. to allow the seal of the Company to be affixed or imprinted to a share certificate with the authority of the Directors;
6. to remove the restriction on the record date to determine the Shareholders’ entitlement to any dividend, distribution, allotment or issue;
7. to allow transfer of Shares in the manner permitted by the Stock Exchange even without an instrument of transfer;

8. to provide that notice in relation to suspension for the registration of transfers of Shares may be published by electronic means and the period of the suspension for the registration for the registration of transfer of Shares may be extended with the approval of the Shareholders;
9. to provide that the Company must hold an annual general meeting within six (6) months after the end of the Company's financial year;
10. to include additional details to be specified in a notice of general meeting in light of the allowing general meeting to be held at one or more meeting locations, or as a hybrid meeting or an electronic meeting;
11. to provide that the respective notice period for an annual general meeting and all other general meetings to be not less than twenty-one (21) clear days and fourteen (14) clear days;
12. to clarify that two persons appointed by the clearing house as authorised representatives or proxy shall form a quorum at a general meeting for all purposes;
13. to provide that the chairman of the general meeting may, with the consent of the general meeting at which a quorum is present or at his absolute discretion under certain prescribed circumstances, adjourn the meeting from time to time (or indefinitely), from place to place(s) and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting);
14. to provide for the proceedings of general meetings which are held at one or more locations, or as hybrid meeting or an electronic meeting, and the powers of the Board and the chairman of the general meetings in relation thereto;
15. to allow the Directors to postpone or make changes to a general meeting when they in their absolute discretion consider it is inappropriate, impracticable, unreasonable or undesirable to hold the general meeting on or at the scheduled date or time or place or in the scheduled form, for example, in case of bad weather conditions or other similar events, and making corresponding changes to the relevant articles;
16. to provide that the chairman of the general meeting may allow a resolution to be voted on by a show of hands for purely procedural or administrative matters in a physical meeting, of which a poll may be demanded by the Shareholders;
17. to allow the Shareholders to have the right to speak and to vote at a general meeting except where a Shareholder is required to abstain from voting on the matter under consideration;

18. to allow for votes to be cast by the Shareholders electronically as the Directors or the chairman of the general meeting may determine;
19. to allow instruments of proxy to be returned to the Company by electronic means;
20. to allow the Board and the chairman of the general meeting to treat a proxy appointment as valid notwithstanding that all the formalities may not have been complied with;
21. to provide that any person appointed by the Directors to fill a casual vacancy on or as an addition to the Board shall hold office until the next following annual general meeting, and shall then be eligible for re-election;
22. to allow a notice of Board meeting to be given verbally or by electronic means and to clarify that the board meeting can be held in an electronic form;
23. to allow a notification of consent to a Directors' resolution in writing given by a Director to be treated as his/her signature to such resolution;
24. to empower the Board to capitalise certain reserves of the Company to pay up the Shares to be allotted pursuant to any share incentive scheme or employee benefit scheme;
25. to empower the Directors to fill casual vacancy in the office of the auditor of the Company and to fix their remuneration by the Board, and such auditor shall hold office until the next following annual general meeting and their appointment and remuneration shall then be subject to the approval of the Shareholders;
26. to clarify that a notice, document or publication is deemed to have been served on the day on which it first appears on the Company's website to which the recipient may have access or the day on which the notice of availability is deemed to have been delivered to such person, whichever is later, and if such notice, document or publication is issued as an advertisement in a newspaper, it shall be deemed to have been served on the day on which the advertisement first so appears;
27. to remove the provision which provides that in the event of winding-up of the Company in Hong Kong, every Shareholder who is not for the time being in Hong Kong shall be bound to serve notice in writing on the Company appointing some person resident in Hong Kong upon whom summonses and other notices, process or orders under the winding up may be served;

28. to clarify that a former Director can also be indemnified for his actions in relation to the affairs of the Company during the time he was a Director;
29. to include a new provision to state the financial year of the Company; and
30. to make other housekeeping amendments, including making consequential amendments in line with the above amendments to the existing Memorandum and Articles of Association.

The proposed adoption of the new Memorandum and Articles of Association is subject to the approval of the Shareholders by way of a special resolution at the AGM.

The full particulars of the proposed amendments to the existing Memorandum and Articles of Association brought about the adoption of the new Memorandum and Articles of Association will be set out in the circular to be despatched to the Shareholders.

## **(2) MAJOR AND CONTINUING CONNECTED TRANSACTIONS**

### **I. INTRODUCTION**

Reference is made to the announcement of the Company dated 22 January 2020 in relation to the major and continuing connected transactions for the provision of certain financial services by Wanxiang Finance under the Old Financial Services Agreement, which will expire on 31 December 2022. On 30 March 2022, the Company entered into the New Financial Services Agreement with Wanxiang Finance, pursuant to which Wanxiang Finance has agreed to provide certain financial services, including, *inter alia*, deposit services, bills acceptance services and bills discounting services to the Group in accordance with the terms and conditions set out in the New Financial Services Agreement. Wanxiang Finance is a non-banking financial institution regulated by the CBIRC.

The Group utilises the services of Wanxiang Finance on a voluntary and non-exclusive basis and is not under any obligation to engage Wanxiang Finance for any particular service. Wanxiang Finance is merely one of a number of financial institutions providing financial services to the Group.

## II. NEW FINANCIAL SERVICES AGREEMENT

Date: 30 March 2022

Parties: (1) the Company; and  
(2) Wanxiang Finance.

The transactions under the New Financial Services Agreement are non-exclusive and the Group has the right to decide whether it requires and accepts the financial services to be provided by Wanxiang Finance, and to choose the financial institution at its discretion to engage the financial services, with reference to its own business needs.

### **Effective date and term**

The New Financial Services Agreement shall become effective upon the approval of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement and the annual caps (the “**New Caps**”) for such services at the AGM and has a term commencing 1 January 2023 and ending 31 December 2025. The term of the New Financial Services Agreement can be extended on a mutually agreed basis subject to compliance with the relevant requirements of the Listing Rules.

#### **A. *Deposit services***

Wanxiang Finance shall provide certain deposit services to the Group, the principal terms of which are as follows:

- (i) the provision of deposit services by Wanxiang Finance to the Group shall be within the scope approved by the CBIRC and in accordance with the relevant laws and regulations of the PRC;
- (ii) the interest rate for the deposit of the Group’s funds with Wanxiang Finance shall be determined on the basis of the base interest rate offered by the People’s Bank of China for the same period, taking into consideration the interest rates for the same type of deposit for the same period offered by other commercial banks in the PRC to the Group, subject to compliance with the relevant requirements of the relevant regulatory bodies; and
- (iii) the maximum daily balance (including interests) of the Group’s deposit with Wanxiang Finance shall not exceed RMB250,000,000.

### *Historical caps, existing cap and historical transaction amounts*

As disclosed in the announcement of the Company dated 22 January 2020, the annual caps for the said deposit services of Wanxiang Finance for each of the three years ending 31 December 2022 are RMB170,000,000, RMB170,000,000 and RMB170,000,000, respectively. The said annual cap for the year ending 31 December 2022 shall continue to apply. For each of the years ended 31 December 2020 and 31 December 2021, the maximum daily balance (including interests) of the Group's deposit with Wanxiang Finance, was approximately RMB126,436,000 and approximately RMB134,766,000, respectively; and for the two months ended 28 February 2022, the maximum daily balance (including interests) of the Group's deposit with Wanxiang Finance, was approximately RMB106,301,000.

### *Proposed New Caps for 2023 to 2025*

The Board, having considered (i) the said historical deposit amounts and the historical cash position of the Group; (ii) the expected growth of the business operations of the Group; and (iii) the expected amount of interest income from Wanxiang Finance, proposed that the maximum daily balance (including interests) of the aggregated deposits placed by the Group with Wanxiang Finance under the New Financial Services Agreement shall not exceed RMB250,000,000 for each of the three years ending 31 December 2025 and such have been set as the New Caps for the said deposit services.

### **B. Bills acceptance services**

Wanxiang Finance shall provide bills acceptance services to the Group from time to time upon its request pursuant to which Wanxiang Finance may require the Group to provide security deposit in respect of the bills acceptance services rendered and shall charge the Group a service fee with reference to, *inter alia*, the face value of bills, the level of security deposit provided, payment date of the bills and capital sufficiency of Wanxiang Finance, etc.

The principal terms of such services are as follows:

- (i) the provision of bills acceptance services by Wanxiang Finance to the Group shall be within the scope approved by the CBIRC and in accordance with the relevant laws and regulations of the PRC;

- (ii) the Group and Wanxiang Finance will enter into a separate agreement in respect of the engagement of bills acceptance services;
- (iii) the Group shall not be required to provide any security over its assets for the bills acceptance services save for the security deposit;
- (iv) the service fee and proportion of security deposit to the face value of bills in respect of the bills acceptance services shall be no higher than those in the market, and determined with reference to the same for the same type of services for the same period provided by other commercial banks in the PRC to the Group, subject to compliance with the relevant requirements of the relevant regulatory bodies; and
- (v) the aggregate amount of the face value of bills to be accepted under the bills acceptance services shall not exceed RMB100,000,000, RMB100,000,000 and RMB100,000,000, respectively, for each of the three years ending 31 December 2025.

For each of the years ended 31 December 2020 and 31 December 2021, and the two months ended 28 February 2022, no bills acceptance service of Wanxiang Finance was engaged by the Group.

*Proposed New Caps for 2023 to 2025*

The Board, having considered (i) the historical cash position of the Group; (ii) the liquidity of the business operations of the Group; and (iii) working capital financial channels, proposed that the aggregate amount of the face value of bills to be accepted under the bills acceptance services shall not exceed RMB100,000,000, RMB100,000,000 and RMB100,000,000 respectively, for each of the three years ending 31 December 2025 and such have been set as the New Caps for the said bills acceptance services.

**C. Bills discounting services**

Wanxiang Finance shall provide certain bills discounting services to the Group, pursuant to which the Group may from time to time transfer certain bills to Wanxiang Finance to obtain funds at a certain discount rate taking into account, *inter alia*, face value of the bills, payment date of the bills, bills issuing bank and capital sufficiency of Wanxiang Finance, etc.

The principal terms of such services are as follows:

- (i) the provision of bills discounting services by Wanxiang Finance to the Group shall be within the scope approved by the CBIRC and in accordance with the relevant laws and regulations of the PRC;
- (ii) the Group and Wanxiang Finance will enter into a separate agreement in respect of the engagement of bills discounting services;
- (iii) the discount rate in respect of the bills discounting services to be charged by Wanxiang Finance shall be no higher than the discount rate in the market, and determined with reference to the discount rates for the same type of services for the same period provided by other commercial banks in the PRC to the Group, subject to compliance with the relevant requirements of the relevant regulatory bodies; and
- (iv) the aggregate transaction amount of bills to be transferred to Wanxiang Finance under the bills discounting services shall not exceed RMB100,000,000, RMB100,000,000 and RMB100,000,000, respectively, for each of the three years ending 31 December 2025.

For each of the years ended 31 December 2020 and 31 December 2021, and the two months ended 28 February 2022, no bills discounting service of Wanxiang Finance was engaged by the Group.

*Proposed New Caps for 2023 to 2025*

The Board, having considered (i) the historical cash position of the Group; (ii) the liquidity of the business operations of the Group and (iii) working capital financial channels, proposed that the aggregate transaction amount of bills to be transferred to Wanxiang Finance for the bills discounting services shall not exceed RMB100,000,000, RMB100,000,000 and RMB100,000,000 respectively, for each of the three years ending 31 December 2025 and such have been set as the New Caps for the said bills discounting services.

***D. Other terms of the New Financial Services Agreement***

In addition to the abovementioned deposit services, bills acceptance services and bills discounting services, Wanxiang Finance has also agreed to provide the following financial services to the Group under the New Financial Services Agreement:

*(i) Credit facilities*

Wanxiang Finance shall provide certain unsecured revolving credit facilities to the Group under the New Financial Services Agreement. As the said credit facilities to be provided by Wanxiang Finance to the Group are on normal commercial terms or better to the Group and are for the benefit of the Group, and no security over the assets of the Group is granted in respect of such credit facilities, such credit facilities are exempt from the reporting, announcement and independent shareholders' approval requirements under the Listing Rules according to Rule 14A.90 of the Listing Rules.

For completeness, the major terms of the said credit facilities to be provided by Wanxiang Finance to the Group are set out below for the Shareholders' information:

- (1) the provision of the credit facilities by Wanxiang Finance to the Group shall be within the scope approved by the CBIRC and in accordance with the relevant laws and regulations of the PRC;
- (2) the interest rate for the credit facilities to be provided by Wanxiang Finance to the Group shall be no higher than the interest rate in the market, and determined with reference to the interest rates for the same type of loan for the same period provided by other commercial banks in the PRC to the Group, subject to compliance with the relevant requirements of the relevant regulatory bodies;
- (3) the Group shall not be required to provide any security over its assets for the credit facilities; and
- (4) Wanxiang Finance shall provide the credit facilities of up to RMB1,000,000,000 (including any facilities that has been utilised by the bills acceptance services and bills discounting services from time to time) to the Group during the term of the New Financial Services Agreement.

(ii) *Miscellaneous financial services*

Wanxiang Finance shall also provide certain other miscellaneous financial services to the Group under the New Financial Services Agreement. As such miscellaneous financial services shall be conducted on normal commercial terms or better to the Group, and the Group expects that all the percentage ratios (if applicable) of such relevant financial services to be engaged by the Group from Wanxiang Finance in aggregate will be less than 5% and the total consideration or value of financial assistance (as the case may be) will be less than HK\$3,000,000, the provision of such financial services by Wanxiang Finance to the Group will be exempt from the reporting, announcement and independent shareholders' approval requirements under the Listing Rules according to Rule 14A.76 of the Listing Rules.

For completeness, the major terms of the provision of such financial services to be provided by Wanxiang Finance to the Group are set out below for the Shareholders' information:

- (1) the provision of such miscellaneous financial services, including settlement, designated loans and financial advice, etc. to be provided by Wanxiang Finance to the Group, shall be within the scope approved by the CBIRC and in accordance with the relevant laws and regulations of the PRC; and
- (2) the fees to be charged by Wanxiang Finance for the provision of such services shall be determined in accordance with relevant laws and regulations on the basis of fair market prices, and shall not exceed the rates charged by independent third parties.

### **III. INTERNAL CONTROL PROCEDURES**

To secure the Shareholders' interests, Wanxiang Finance has given certain undertakings under the New Financial Services Agreement and the Company has adopted certain internal control procedures, pursuant to which the financial management department of the Company conducts monthly tracking, monitoring and verification of the progress of the Company's transactions. The audit committee of the Board conducts a regular review of continuing connected transactions to ensure the effectiveness of the internal control measures relating to continuing connected transactions. The Board considers that the above internal control procedures adopted by the Company in respect of the transactions under the New Financial Services Agreement are appropriate and that they will give sufficient assurance to the Shareholders that the transactions under the New Financial Services Agreement will be appropriately monitored by the Company.

#### **IV. REASONS FOR AND BENEFITS OF THE NEW FINANCIAL SERVICES AGREEMENT**

The reasons for the Company to enter into the New Financial Services Agreement with Wanxiang Finance are as follows:

- (i) Wanxiang Finance has a better understanding of the operations of the Group and therefore offers more convenient, efficient and flexible services to the Group than other commercial banks in the PRC;
- (ii) the interest rate for the deposit services, the service fee and proportion of security deposit to the face value of bills for the bills acceptance services and the discount rate for the bills discounting services offered by Wanxiang Finance, and the rates and fees charged by Wanxiang Finance for the credit facilities and miscellaneous financial services to be provided to the Group, shall be equal to or more favourable than those offered or charged by independent third parties in the market in the PRC; and
- (iii) the activities of Wanxiang Finance are regulated by the CBIRC and Wanxiang Finance provides services within its approved scope in compliance with the relevant laws and regulations.

Accordingly, the transactions under the New Financial Services Agreement shall facilitate the Group to increase its efficiency in managing its operation funds with an aim to reduce its financing cost.

The Directors (excluding the independent non-executive Directors in respect of the provision of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement who will form their views after reviewing the advice of the Independent Financial Adviser) consider that the New Financial Services Agreement has been negotiated on arm's length basis and is on normal commercial terms or better to the Group. The terms of the New Financial Services Agreement, the transactions contemplated thereunder, the proposed New Caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The Board approved the New Financial Services Agreement and the transactions contemplated thereunder on 30 March 2022. As at the date of this announcement, Mr. Xu Anliang has declared to the Board of his concurrent title as a chairman of the board of directors of Wanxiang Finance and the chairman of the Board, and he has abstained from voting in respect of the resolutions approving the New Financial Services Agreement, the transactions contemplated thereunder and the proposed New Caps. Save as disclosed above, none of the other Directors was considered having a material interest in the New Financial Services Agreement and the transactions contemplated thereunder and was required to abstain from voting in respect of the resolutions approving such transactions and the proposed New Caps.

## **V. LISTING RULES IMPLICATIONS**

Wanxiang Finance is a subsidiary of Wanxiang Group, the controlling Shareholder indirectly interested in approximately 65.42% of the issued share capital of the Company. Accordingly, Wanxiang Group and Wanxiang Finance are both connected persons of the Company. Therefore, the transactions contemplated under the New Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios calculated in accordance with the Listing Rules for each of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement for the three years ending 31 December 2025 exceed the 5% Threshold, the provision of each of the deposit services, bills acceptance services and bills discounting services by Wanxiang Finance to the Group and the proposed New Caps for the relevant periods are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Further, as the provision of deposit services by Wanxiang Finance to the Group under the New Financial Services Agreement also constitutes a transaction under Rule 14.04(1)(e) of the Listing Rules and one of the applicable percentage ratios calculated in accordance with the Listing Rules for the deposit services under the New Financial Services Agreement exceeds 25% but all of which are less than 100%, the provision of the deposit services by Wanxiang Finance to the Group constitutes a major transaction of the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

## **VI. INFORMATION ON THE PARTIES**

### **The Group**

The Group is principally engaged in the development, operation and management of natural gas-fired power plants.

### **Wanxiang Finance**

Wanxiang Finance is principally engaged in the operation of financial business under the financial license regulated by the CBIRC. Wanxiang Finance is a subsidiary of Wanxiang Group, the indirect controlling Shareholder ultimately controlled by Mr. Lu Weiding (魯偉鼎先生).

## **VII. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

An Independent Board Committee comprising the independent non-executive Directors (namely, Mr. Tse Chi Man, Mr. Yao Xianguo and Mr. Yu Wayne W.) has been formed to consider the terms of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement and the proposed New Caps.

An Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the terms of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement and the proposed New Caps.

## **VIII. DESPATCH OF CIRCULAR**

The AGM will be convened for the purpose of considering, and if thought fit, approving *inter alia*, the New Financial Services Agreement, the transactions contemplated thereunder and the proposed New Caps.

A circular containing, *inter alia*, (i) further details of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement and the proposed New Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the terms of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement and the proposed New Caps; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the terms of the deposit services, bills acceptance services and bills discounting services under the New Financial Services Agreement and the proposed New Caps; and (iv) a notice convening the AGM, will be despatched to the Shareholders in due course. As additional time is required to prepare and finalise certain information to be contained in the circular, the Company expects to despatch the circular on or before 18 May 2022.

## IX. DEFINITIONS

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

“5% Threshold”	the thresholds referred to in Rule 14A.76(2) of the Listing Rules;
“AGM”	the annual general meeting of the Company for the year ended 31 December 2021 to be convened;
“Articles of Association”	the articles of association of the Company, as amended from time to time;
“Board”	the board of Directors;
“CBIRC”	China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會);
“Company”	Puxing Energy Limited (普星能量有限公司), a company incorporated in the Cayman Islands with limited liability;
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	a committee of the Board comprising Mr. Tse Chi Man, Mr. Yao Xianguo and Mr. Yu Wayne W., being the independent non-executive Directors;

“Independent Financial Adviser”	Donvex Capital Limited, the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the provision of the deposit services, bills acceptance services and bills discounting services by Wanxiang Finance to the Group under the New Financial Services Agreement and the proposed New Caps for the relevant periods;
“Independent Shareholders”	Shareholders who are not required to abstain from voting at the AGM;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum and Articles of Association”	the Memorandum of Association and the Articles of Association;
“Memorandum of Association”	the memorandum of association of the Company, as amended from time to time;
“New Cap(s)”	has the meaning as ascribed to it under the section headed “(2) Major and continuing connected transactions – II. New Financial Services Agreement” of this announcement;
“New Financial Services Agreement”	the financial services framework agreement entered into between the Company and Wanxiang Finance on 30 March 2022;
“Old Financial Services Agreement”	the financial services framework agreement entered into between the Company and Wanxiang Finance on 22 January 2020;
“PRC”	the People’s Republic of China which, for the purposes of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shares”	the shares of the Company;

“Shareholder(s)”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Wanxiang Finance”	Wanxiang Finance Co., Ltd.* (萬向財務有限公司), a company established in the PRC and a connected person of the Company;
“Wanxiang Group”	Wanxiang Group Corporation* (萬向集團公司), a company established in the PRC and a connected person of the Company; and
“%”	per cent.

By order of the Board  
**Puxing Energy Limited**  
**XU Anliang**  
*Chairman*

Hong Kong, 30 March 2022

*As at the date of this announcement, the Board comprises five Directors, of whom two are executive Directors, namely Mr. Xu Anliang and Mr. Wei Junyong; and three are independent non-executive Directors, namely Mr. Tse Chi Man, Mr. Yao Xianguo and Mr. Yu Wayne W.*

\* *For identification purposes only*