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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)

SUPPLEMENTAL ANNOUNCEMENT TO THE INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2023

Reference is made to the announcement of Xinte Energy Co., Ltd. (the “**Company**”) dated 15 August 2023 in relation to the interim results of the Company for the six months ended 30 June 2023 (the “**Interim Results Announcement**”). Unless the context otherwise requires, capitalised terms used herein shall have the same meaning as those defined in the Interim Results Announcement.

The Company would like to provide supplemental information in relation to the prior year adjustments and this announcement should be read in conjunction with the Interim Results Announcement.

INFORMATION ON PRIOR YEAR ADJUSTMENTS

1. Background of the 2022 self-inspection and subsidies policy

In March and September 2022, the National Development and Reform Commission of the PRC (the “**NDRC**”), MOF, and NEA (hereinafter, the “**Competent Authorities**”) jointly issued the “Notice on Carrying out Self-Assessment Work on Renewable Energy Power Generation Subsidies” (the “**First Subsidies Notice**”) and the “Notice on Clarifying Relevant Policy Interpretations for Assessment and Identification of Renewable Energy Power Generation Subsidies” (the “**Second Subsidies Notice**”). These subsidies notices outlined the nationwide initiative to assess renewable energy power projects which satisfies the criteria for granting payable subsidies (the “**Assessment List**”). As stipulated in the notices, the assessment is of self-initiated

nature by the project owners and the project owners shall base on the criteria to assess whether the projects are qualified to obtain subsidies (“**Qualified Projects**”). Subsequent to the issuance of the notice, the Company has conducted self-assessment on the renewable energy power projects (the “**Initial Self Assessment**”). In order to facilitate the self-assessment, subsequently the Second Subsidies Notice was published by the Competent Authorities to provide additional clarification and guidelines for conducting the self-assessment and inspection outlined in the First Subsidies Notice (the “**Guidelines**”). The Guidelines addressed certain ambiguities in conducting self-assessment for Qualified Projects and added further particulars and criteria on how to conduct the self-assessment process, such as determining grid electricity prices for specific PV projects, identifying capacity included in subsidy projects, and establishing standards for project filing capacity.

The owner of the power plant projects under the Assessment List will tender the self-assessment findings to the Competent Authorities for record. The Competent Authorities will accordingly conduct their study based on the self-assessment record and corresponding materials to identify Qualified Projects which are originally eligible to obtain subsidies by making public announcement. Certain power plant projects of the Company which have received renewable energy power generation subsidiaries were included in the Assessment List.

In January 2023, the State Grid and China Southern Power Grid, entrusted by the Competent Authorities, released the “Announcement on Publishing the List of the First Batch of Renewable Energy Power Generation Subsidy Qualified Projects” (the “**Qualified Projects Announcement**”). This Qualified Projects Announcement included the first batch of Qualified Projects (the “**First Qualified List**”) based on criteria such as project compliance, scale, electricity quantity, electricity price, subsidy funds, and environmental protection. Certain power projects of the Company in the Assessment List were subsequently included in the First Qualified List, thus the subsidies regarding these projects are unchanged. The rest of the power projects under the Assessment List are still subject to the self-assessment and identification by power plant owner and/or study process of the Competent Authorities (the “**Under Review Projects**”).

2. Self-assessment by the Company and its impact on the Group’s financial statements

In the second quarter of 2023, subsequent to the Initial Self-Assessment based on the Guidelines and the First Qualified List, the Company further initiated self-assessment exercise on the Under Review Projects with reference to First Qualified List and identified nine renewable power projects among the Under Review Projects that may not receive recognized subsidy that are considered will not be receivable in the future (the “**Subsequent Self Assessment**”). Particulars of the basis of self-assessment based on applicable provision of the Guidelines are detailed below:

No.	Power plant projects	The Company’s self-assessment	Applicable provision of the notice
1	Mulei County Jiayu Fengsheng Power Generation Co., Ltd. TBEA Mulei Dashitou 200MW Wind Power Project (木壘縣嘉裕風晟發電有限公司特變電工木壘大石頭200MW風電項目)	<p>Initial Self-Assessment</p> <p>Based on the Initial Self-Assessment, the Company considered that with reference to the historical experience of the Company and obtaining other documentation such as the issuance of the energy business approval certificate would be the sufficient proof for obtaining the subsidy.</p>	Part 2 “Self Inspection Content”, Article 2 “Project Scale” requires that the timing of the Full Grid Connection should be consistent with the agreed position.
2	Zhongmin (Mulei) Wind Power Co., Ltd. Mulei Dashitou 200MW Wind Power Project (中閩(木壘)風電有限公司木壘大石頭200MW風電項目)	<p>Subsequent Self-Assessment</p> <p>The Company based on Subsequent Self-Assessment considered that it may not fulfill the condition of the grid connection with full capacity (the “Full Grid Connection”) within the suggested time stipulated in the government paper. On top of the energy business approval certificate which is originally qualified to obtain the new energy subsidy, based on the Subsequent Self-Assessment the Company considered that it has to provide additional proof of Full Grid Connection. As there are additional steps for the Company to provide other information and take time to prepare, it is therefore possible that the suggested timeline for Full Grid Connection may not be met.</p>	
3	Zhengxiangbai Banner Fengsheng Power Generation Co., Ltd. 275MW Wind Power Project (正鑲白旗風盛發電有限公司275MW風電項目)		

No.	Power plant projects	The Company's self-assessment	Applicable provision of the notice
4	Fengsheng Zhengxiangbai Banner Ultrahigh Voltage 200MW Wind Power Project (風盛正鑲白旗特高壓外送20萬千瓦風電項目)		
5	Xinyuan Zhengxiangbai Banner Ultra-high Voltage 200MW Wind Power Project (新園正鑲白旗特高壓外送20萬千瓦風電項目)		
6	Guyang County Wind Power Generation Co., Ltd. Guyang Xingshunxi Wind Power Plant Phase I 100MW Wind Power Project (固陽縣風源發電有限公司固陽興順西風電場一期100MW風電項目)		
7	Huite Naiman Banner 30MWp PV On-grid Power Project (匯特奈曼旗一期30MWp光伏併網發電項目)	<p data-bbox="699 1087 967 1112">Initial Self Assessment</p> <p data-bbox="699 1166 1187 1517">Based on Initial Self Assessment, the local NDRC in Inner Mongolia Autonomous Region (“Inner Mongolia”), the competent authority in Inner Mongolia, had originally issued filing documents and had been recognized the construction project in question as part of the approved list and therefore the said project can receive subsidy (the “Recognitions”).</p> <p data-bbox="699 1570 1031 1596">Subsequent Self Assessment</p> <p data-bbox="699 1649 1187 1874">Based on Subsequent Self Assessment, due the change of circumstances, the policies and the Recognitions were subsequently become non-inclusive within the scope of annual construction scale management documents.</p>	Article 1 “Project Compliance” stated consideration will be given to whether the project has been included in the corresponding list as stipulated in the management documents with reference to in the plans, scales and planning.

No.	Power plant projects	The Company's self-assessment	Applicable provision of the notice
8	Baotou Guangyi Solar Power Co., Ltd. Shiguai District Leader No.1 100MWP PV Project (包頭市光羿太陽能發電有限責任公司石拐區領跑者1號100MWp光伏項目)	<p>Initial Self Assessment</p> <p>Based on the Initial Self Assessment, the Company considered that with reference to the historical experience of the Company and obtaining other documentation such as the issuance of the energy business approval certificate would be the sufficient proof for for obtaining the subsidy.</p> <p>Subsequent Self Assessment</p> <p>The Company based on Subsequent Self Assessment considered that the Full Grid Connection has not been completed within the suggested time. The grid was not fully connected by virtue of the construction status of the external grid. As a result, the Full Grid Connection could not be completed within the specified timeframe.</p>	Article 2 “Project Scale” requires that the timing of the Full Grid Connection should be consistent with the agreed position.
9	Xinjiang Hami Wind Power Base Phase II Jingxia No. 6 Wind Power Plant Block B 200MW Wind Power Project (新疆哈密風電基地二期項目景峽第六風電場B區200MW風電項目)		

Based on the above, the Company adjusted of the revenue of the Electricity Price Subsidies recognized but not yet recovered in the consolidated financial data of 2022 to offset the operating revenue in 2022, which was disclosed in the Interim Results Announcement, and considered the above adjustment is in compliance with the requirements of CASBE.

Save as disclosed above, the contents of the Interim Results Announcement remain unchanged.

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

Xinjiang, the PRC
25 September 2023

As at the date of this announcement, the Board of the Company 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; and Mr. Cui Xiang, Mr. Chen Weiping and Mr. Tam, Kwok Ming Banny as independent non-executive directors.