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JINTAI ENERGY HOLDINGS LIMITED

金泰能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2728)

VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE IN RELATION TO THE INFLUENCE OF COVID-19 OUTBREAK

This announcement is made by Jintai Energy Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis. The purpose of this announcement is to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

PRUDENT DEVELOPMENT OF THE TRADING OF PETROCHEMICAL PRODUCTS

Since the beginning of the year 2020, crude oil prices have slumped dramatically on a perfect storm of demand destruction due to the global outbreak of novel coronavirus pandemic (“**COVID-19**”) resulting in lockdown of majority countries and oversupply caused by a price war between two of the largest oil producers, Saudi Arabia and Russia. In April 2020, the price of the United States crude May futures contract fell as low as minus US\$37.63 a barrel for the first time in history as room to store the unneeded barrels of oil piling up during COVID-19 was literally running out.

In light of the heightened unpredictability of oil price, the board of director of the Company (the “**Board**”) considers it is in the best interests of the Company and its shareholders to cautiously develop the trading of petrochemical products at this stage, as well as put emphasis in keeping business with existing customers and cautiously increase the Group’s customer base and new products.

DEFERRAL OF EXISTING OIL DRILLING SERVICES PROJECTS

Reference is made to announcement and the circular of the Company dated 25 October 2019 and 23 January 2020 respectively regarding the SL-16-5-4 well agreement and the SL-27 well agreement.

Due to the outbreak of COVID-19, the drilling works for the oil well will be slightly delayed. The Board is of the view that the slight delay will not have material adverse effect on the business and operation of the Group.

The Group will continue to pay close attention to the fluctuation in the oil price and the developments of the COVID-19 pandemic in order to set out appropriate strategies to overcome the challenging global business environment.

The Company is endeavouring to explore new lines of businesses such as development and operational services of digital energy trading parks and sales of electronic products with an aim to provide better returns for the shareholders of the Company.

The Company will keep the public informed of the latest developments by making further announcement(s) as and when appropriate.

By order of the Board
Jintai Energy Holdings Limited
Yuan Hongbing
Executive Director

Hong Kong, 11 June 2020

As at the date of this announcement, the Company has three executive Directors, namely Mr. Chen Jinle (Chairman), Mr. Lin Caihuo and Mr. Yuan Hongbing, one non-executive Director, namely Mr. Wang Shoulei, and three independent non-executive Directors, namely, Mr. Tche Heng Hou Kevin, Mr. Gao Han and Mr. Mak Tin Sang.