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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
ENTERING INTO OF THE FRAMEWORK AGREEMENT**

The Company is pleased to announce that on 13 August 2020, a controlling subsidiary of the Company and Rongyao Zhongduan Company Limited (a member of the Huawei Group) entered into a Framework Agreement, through which our subsidiary shall be the full service distributor of Rongyao Zhongduan Company Limited, for the distribution of the series of “Honor” brand routers within mainland China.

This announcement is issued by the Company on a voluntary basis.

Jintai Energy Holdings Limited (the “**Company**”) is pleased to announce that on 13 August 2020, 創普科技有限公司 (the “**Distributor**”) (English transliteration for identification purpose only, Chuangpu Technology Company Limited), a company incorporated in the People’s Republic of China (“**PRC**”) and a controlling subsidiary of the Company and 榮耀終端有限公司 (“**Seller**”) (English transliteration for identification purpose only, Rongyao Zhongduan Company Limited), a company incorporated in the PRC and a wholly-owned subsidiary of Huawei Investment & Holding Co., Ltd. (Huawei Investment & Holding Co., Ltd., together with its subsidiaries, are collectively as the “**Huawei Group**”), entered into a framework agreement (the “**Framework Agreement**”) for the distribution of the series of “Honor” (榮耀) brand routers.

The Framework Agreement shall take effect from 13 August 2020 to 31 December 2021, which may be automatically renewed for a further term of 12 months if no objection in writing has been raised by the parties. The Seller has authorised the Distributor to distribute and sell the “Honor” (榮耀) brand routers in various specifications (the “**products**”) operated and owned by the Seller. The Distributor shall be the full service distributor of the Seller in the sales and distribution of the products within the PRC, excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan.

INFORMATION OF THE GROUP

The Company and its subsidiaries (the “**Group**”) are principally engaged in two operating business including: (i) energy trading business which comprise mainly the trading of fuel oil and kerosene and (ii) speaker trading business.

REASONS FOR ENTERING INTO THE FRAMEWORK AGREEMENT

As stated in the 2019 annual report of the Company, the Group faced challenges on the energy trading business due to geopolitics and the US China trade war. Although the Group’s strategy of actively seeking new customers, expanding its product portfolio and sourcing from new suppliers has been successfully implemented in the first half of 2020 and the performance of the energy trading business has been greatly improved during this period, the harsh business environment persists due to the US China trade war, the continuous deterioration of economic and trade relations between the two countries and the huge negative impact of the COVID-19 pandemic on the global trade and energy demand. After careful consideration, the board of directors (the “**Board**”) considers that the business of the Group has to diversify and develop with localization in China, so as to ensure that the Group could maintain stable development in the aforesaid difficult international economic and trade environment.

Therefore, the Board concurs that it is a golden opportunity for the Group to diversify its business and strengthen its business development in China by participating in the distribution business of Huawei Group’s branded products in China. We believe that through the established structure of our professional electronic product distribution team and extensive operation experience and sales channels of the Group’s existing speaker trading business, the Group’s business will be able to develop successfully from the sole reliance on the energy trading business by diversifying into the electronic product distribution business.

In addition, as disclosed in the announcement of the Company dated 28 July 2020, the Group has positioned itself to actively develop the operation and service business of digital energy trading parks in China. The Board plans to take this opportunity of the distribution of Huawei Group’s household electronic products to gradually extend the distribution to Huawei Group’s professional electronic products as well as its enterprise electronic products in the future, so as to complement the development of digital energy trading parks business and reach a mutual-beneficial and win-win situation for all parties. The Board is confident that through the efforts of its professional operation team and investment of more resources, the Group can develop its electronic product distribution business rapidly and continuously.

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

Hong Kong, 13 August 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 (Chief Executive Officer), 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.