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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

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.

1. ENERGY TRADING BUSINESS

With the effective control of the novel coronavirus pandemic in China, the Group’s energy trading business has been developed well with rapidly expanding scale due to the rapid recovery of economic development and the gradual rebound of crude oil prices. According to the Group’s unaudited management accounts, as of 30 October 2020, the Group’s energy trading business generated revenue of more than RMB7.5 billion. It is anticipated that the revenue from the energy trading business is expected to be approximately RMB9 to 10 billion in the year ending 31 December 2020.

2. ENERGY TRANSPORTATION BUSINESS

The Group has completed the acquisition of the entire equity interest in a company which is engaged in energy transportation service. The company acquired holds road transportation business license for hazardous chemicals and owns a fleet of more than 90 tanker trucks with a carrying capacity of 32 tons for each vehicle. Given that the Group is engaged in energy trading business, the acquisition of an energy transportation service company will achieve synergy, which allows the Group to effectively reduce transportation costs and ensure transportation efficiency and provides the Group with a good opportunity for vertical expansion with an aim to increase customers’ loyalty

through providing our customers with diversified services, such as transporting the Group's products/other suppliers' products from the ports to the customers' refineries/oil depots.

3. DIGITAL ENERGY TRADING PARKS

The business operation of the digital energy trading parks is under rapid development since its launch in May 2020. As of 17 November 2020, the Group has signed cooperation agreements in 13 cities/regions of China, and successfully introduced 236 enterprises into the trading parks. The operation and service business of digital energy trading parks generates income to the Group through: (1) receiving fixed service fees from enterprises in the trading parks on an annual basis; (2) receiving service fees based on the value-added services provided to the enterprises in the trading parks including the supply chain services and tax planning; (3) applying for tax incentives or financial subsidies from local governments based on the economic benefits of the operation of the trading parks.

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

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 18 November 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.