Perennial Energy Holdings Limited
久泰邦達能源控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 2798)

UPDATE ON COAL MINE RESOURCES CONSOLIDATION PROPOSAL

This announcement is made by Perennial Energy Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis to keep the shareholders of the Company (the "**Shareholders**") and potential investors informed of the latest developments in relation to the coal mine resources consolidation proposal previously announced by the Company. Reference is made to the announcement of the Company dated 12 July 2024 (the "**Announcement**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, the Group, Guizhou Wantian Coal Mining Company Panzhou Yuni Village Wantian Coal Mine* (貴州灣田煤礦有限公司盤州市淤泥鄉灣田煤礦) ("**Wantian Coal Mine**"), and Guizhou Huaneng Jiayuan Coal Co., Ltd. Pan County Youyi Coal Mine* (貴州華能佳源煤業有限公司盤縣有益煤礦) ("**Youyi Coal Mine**") jointly submitted a coal mine consolidation proposal (the "**Proposed Consolidation Plan**") to The Guizhou Province Panzhou Municipal People's Government (貴州省盤州市人民政府). The Proposed Consolidation Plan involved the potential consolidation of three adjacent coal mines, namely Pan County Yangchang Village Xiejiahegou Coal Mine* (盤縣羊場鄉謝家河溝煤礦) ("**Xiejiahegou Coal Mine**"), Wantian Coal Mine, and Youyi Coal Mine. Xiejiahegou Coal Mine is wholly owned by Guizhou Jiutai Bangda Energy Development Co., Ltd* (貴州久泰邦達能源開發有限公司), an indirectly wholly owned subsidiary of the Company.

Following recent discussions among the Group, Wantian Coal Mine and Youyi Coal Mine (collectively, the "**Parties**"), the Parties have, after careful consideration, mutually agreed not to proceed with the Proposed Consolidation Plan as set out in the Announcement. The decision not to proceed with the Proposed Consolidation Plan was made after full deliberation by the Parties, having taken into account various factors, including but not limited to prevailing regulatory considerations, market and economic conditions, commercial alignment, and strategic priorities, and there is no dispute in respect of such decision.

The Company emphasizes that the termination of the aforementioned Proposed Consolidation Plan does not affect the Group's strategic focus on coal resource integration. The Group remains committed to exploring other viable coal mine consolidation opportunities that align with its long-term development strategies and are in the interests of the Company and the Shareholders as a whole.

Subsequently, on 28 October 2025, the Group and Guizhou Huaneng Jiayuan Coal Co., Ltd.* (貴州華能佳源煤業有限公司) ("**Huaneng Jiayuan**") jointly submitted the 2025 coal mine consolidation proposal (the "**2025 Proposed Consolidation Plan**") to The Guizhou Province Panzhou Municipal People's Government (貴州省盤州市人民政府). The 2025 Proposed Consolidation Plan involves two coal mines, namely Xiejiahegou Coal Mine, which is indirectly wholly owned by the Company, and Youyi Coal Mine, which is owned by Huaneng Jiayuan.

According to the 2025 Proposed Consolidation Plan, given Youyi Coal Mine is located adjacent to Xiejiahegou Coal Mine, the coal resources of both mines will be consolidated (the "**Proposed Consolidation**"). Upon completion of the Proposed Consolidation, the consolidated mine will operate under the name of Xiejiahegou Coal Mine and Youyi Coal Mine will cease to exist. Subject to the requisite regulatory approval, Xiejiahegou Coal Mine may apply to the relevant authorities to increase its permitted annual production capacity from 450,000 tonnes to 1.2 million tonnes.

On the other hand, Huaneng Jiayuan wholly owns Jieji Coal Mine (捷吉煤礦), which is currently idle and remains undeveloped, with no mining operations commenced to date. As such, Huaneng Jiayuan and the Company intend to explore potential opportunities for its development and commencement of operations, which will be subject to feasibility assessments and the requisite regulatory approval.

The Group believes that the 2025 Proposed Consolidation Plan, if implemented, will contribute to the long-term strategic growth of its coal resource portfolio and further strengthen its position in the regional coal industry.

As at the date of this announcement, the Group has not entered into any legally binding agreement in respect of the new potential consolidation opportunities or alternative initiatives mentioned above. The progress of such matters will be subject to further negotiation with the relevant parties and, where applicable, approval by the relevant authorities. The terms and conditions for implementing the 2025 Proposed Consolidation Plan are subject to further negotiation and finalization among the parties. As such, the 2025 Proposed Consolidation Plan may or may not materialize. If the 2025 Proposed Consolidation Plan materializes, it may constitute a notifiable transaction of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The Company will continue to monitor the progress of the relevant matters and will make further announcements in accordance with the Listing Rules, to update the Shareholders and potential investors 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
Perennial Energy Holdings Limited
Yu Bangping
Chairman and Executive Director

Hong Kong, 28 October 2025

As at the date of this announcement, the executive Directors are Mr. Yu Bangping, Mr. Yu Zhilong, Mr. Li Xuezhong, Mr. Lau Kai Ming and Mr. Yu Xiao; and the independent non-executive Directors are Mr. Fong Wai Ho, Mr. Punnya Niraan De Silva, Mr. Si Zeyu and Ms. Yau Shu Shan.

* *For identification purposes only*