1. FURTHER INFORMATION ABOUT OUR GROUP

A. Incorporation of Our Company

Our Company was established in the PRC on August 4, 1997 and was converted into a joint stock company on July 30, 2019. Our Company completed the listing of our A Shares on the STAR Market of the Shanghai Stock Exchange (stock code: 688353) in July 2022.

Our registered office is located at No.1 Desheng Road, Jiangsu Yangtze River International Chemical Industry Park, Jiangsu Province, the PRC. Our Company's corporate structure and Articles of Association are governed by PRC laws and regulations.

The relevant PRC laws and regulations and a summary of the Articles of Association are set out in "Appendix IV — Summary of Principal Legal and Regulatory Provisions" and "Appendix V — Summary of Articles of Association" to this document, respectively.

Our principal place of business in Hong Kong is at 46/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. Our Company is registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on [•]. Ms. Kwok Yan Ting Jennis has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong. The address for the service of process is the same as our principal place of business in Hong Kong.

B. Changes in the Share Capital of Our Company

The Company has not had any share capital changes within two years prior to the date of publication of this document.

C. Changes in the Share Capital of Our Subsidiaries

Our Company's subsidiaries are set out Note 18 to the Accountants' Report as set out in Appendix I to this document. The following sets out changes in the share capital of our subsidiaries within two years immediately preceding the date of this document:

(i) on May 8, 2025, the registered capital of Xianghe New Energy increased from RMB150.0 million to RMB350.0 million; and

(ii) on December 3, 2025, the registered capital of Xianghe New Energy increased from RMB350.0 million to RMB600.0 million.

Save as disclosed above, there had been no other alterations of share capital of our subsidiaries within the two years preceding the date of this document.

D. Shareholders' Resolutions

At the general meeting of our Company held on March 26, 2026, the following resolutions were passed by the Shareholders:

(i) the [REDACTED] of [REDACTED] with a nominal value of RMB1.00 each by our Company and such [REDACTED] be listed on the Stock Exchange;

(ii) the number of [REDACTED] to be [REDACTED] pursuant to the [REDACTED] before the exercise of the [REDACTED] shall not exceed [REDACTED]% of the enlarged share capital of our Company upon completion of the [REDACTED], and the [REDACTED] shall not exceed [REDACTED]% of the above number of [REDACTED] to be [REDACTED];

(iii) subject to the completion of the [REDACTED], the Articles of Association to become effective on the [REDACTED] shall be conditionally adopted, and the Board and its authorized person have been authorized to amend the Articles of Association in accordance with any comments from the relevant regulatory authorities; and

(iv) authorization of the Board and its authorized person to handle the matters relating to, among other things, the [REDACTED], the [REDACTED] and [REDACTED] of the [REDACTED]s.

2. FURTHER INFORMATION ABOUT OUR BUSINESS

A. Summary of Material Contract

The following contract (not being contract entered into in the ordinary course of business) has entered into by members of our Group within the two years preceding the date of this document and is or may be material:

(i) the [REDACTED].

B. Intellectual Property Rights

(i) Trademarks

Registered Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of Registration	Registered Owner	Class	Registration Number	Expiry Date
1. . . .	HSC	PRC	Our Company	42	47081756	June 6, 2031
2. . . .	HSC	PRC	Our Company	1	47092671	May 27, 2031
3. . . .	HSC	PRC	Our Company	1	47091612	July 6, 2031
4. . . .	HSC	PRC	Our Company	1	47077569	July 6, 2031
5. . . .	HSC	PRC	Our Company	1	43934361	February 27, 2033
6. . . .	HSC	PRC	Our Company	1	43949825	February 27, 2031
7. . . .	HSC	PRC	Our Company	1	43946524	February 20, 2031
8. . . .	江南华盛	PRC	Our Company	1	43932370	February 13, 2031
9. . . .	江南华盛	PRC	Our Company	1	43943001	February 13, 2031
10 . . .	华盛锂源	PRC	Our Company	1	43935886	January 27, 2031

No.	Trademark	Place of Registration	Registered Owner	Class	Registration Number	Expiry Date
11 . . .	华盛锂源	PRC	Our Company	1	43951566	January 13, 2031
12 . . .	江南华盛	PRC	Our Company	1	43947769	November 6, 2030
13 . . .	华盛锂源	PRC	Our Company	1	43947708	November 6, 2030
14 . . .	HSC CORPORATION	PRC	Our Company	1	43945453	November 13, 2030
15 . . .	HSC CORPORATION	PRC	Our Company	1	43940599	November 13, 2030
16 . . .	HSC CORPORATION	PRC	Our Company	1	43934333	November 13, 2030
17 . . .	长园华盛	PRC	Our Company	35	21130081	October 27, 2027
18 . . .	长园华盛	PRC	Our Company	1	21130024	October 27, 2027
19 . . .	长园华盛	PRC	Our Company	42	21129852	October 27, 2027
20 . . .		PRC	Our Company	1	11884866	June 20, 2034
21 . . .		PRC	Our Company	1	11884830	May 27, 2034
22 . . .	HSC	PRC	Our Company	42	11884642	June 6, 2034
23 . . .	HSC	PRC	Our Company	1	11884547	June 6, 2034
24 . . .	HSC	PRC	Our Company	1	11884389	May 27, 2034
25 . . .		PRC	Our Company	1	7694346	September 6, 2031
26 . . .		PRC	Our Company	1	7694345	July 6, 2031

(ii) Patents

Registered Patents

As of the Latest Practicable Date, we had registered the following patents which we consider to be or may be material to our business:

No.	Patent	Type of Patent	Place of Registration	Patent Number	Owner	Term of Patent
1 . . .	Lithium sulfinate salt and preparation method thereof, lithium battery electrolyte, and lithium battery (亞磺酸鋰鹽及其製備方法和鋰電池電解液、鋰電池)	Invention	PRC	ZL202511280694.3	Our Company	20 years from September 9, 2025
2 . . .	Preparation method for 1,4-butane disulfonyl chloride (一種1,4-丁烷二磺酰氯的製備方法)	Invention	PRC	ZL202410833341.0	Our Company	20 years from June 26, 2024
3 . . .	Preparation method for lithium bis(oxalato)borate (一種二草酸硼酸鋰的製備方法)	Invention	PRC	ZL202010916092.3	Our Company	20 years from September 3, 2020
4 . . .	Preparation method for lithium bis(fluorosulfonyl)imide salt (一種雙氟磺酰亞胺鹽的製備方法)	Invention	PRC	ZL202111533320.X	Our Company	20 years from December 15, 2021
5 . . .	Preparation method for methylene ethylene carbonate (一種亞甲基碳酸乙烯酯的製備方法)	Invention	PRC	ZL202211393849.0	Our Company	20 years from November 8, 2022
6 . . .	Preparation method for sodium salt electrolyte for sodium-ion batteries (一種鈉離子電池電解質鈉鹽的製備方法)	Invention	PRC	ZL202211713040.1	Our Company	20 years from December 30, 2022
7 . . .	Synthesis and purification process for sodium bis(oxalato)borate (一種雙草酸硼酸鈉的合成及提純工藝)	Invention	PRC	ZL202211556328.2	Our Company	20 years from December 6, 2022
8 . . .	Method for one-step synthesis and purification of methyl trifluoroethyl carbonate (一種一步合成並提純甲基三氟乙基碳酸酯的方法)	Invention	PRC	ZL202211594186.9	Our Company	20 years from December 13, 2022
9 . . .	Purification process for lithium bis(oxalato)borate (一種雙草酸硼酸鋰的提純工藝)	Invention	PRC	ZL202211632023.5	Our Company	20 years from December 19, 2022
10 . .	Preparation method for vinylene carbonate, vinylene carbonate, and application thereof (碳酸亞乙烯酯的製備方法、碳酸亞乙烯酯及應用)	Invention	PRC	ZL202010672302.9	Our Company	20 years from July 14, 2020

No.	Patent	Type of Patent	Place of Registration	Patent Number	Owner	Term of Patent
11 . .	Preparation method for lithium difluoro(oxalato) borate (一種二氟草酸硼酸鋰的製備方法)	Invention	PRC	ZL202010917369.4	Our Company	20 years from September 3, 2020
12 . .	Preparation method for lithium difluorophosphate and lithium difluorobis(oxalato) phosphate (一種二氟磷酸鋰及二氟二草酸磷酸鋰的製備方法)	Invention	PRC	ZL202111608568.8	Our Company	20 years from December 27, 2021
13 . .	One-step method for preparing lithium difluoro(oxalato)borate (一種一步法合成二氟草酸硼酸鋰的方法)	Invention	PRC	ZL202111590283.6	Our Company	20 years from December 23, 2021
14 . .	Purification method for lithium bis(fluorosulfonyl)imide salt (雙氟磺酰亞胺鋰鹽的純化方法)	Invention	PRC	ZL202111139650.0	Our Company	20 years from September 28, 2021
15 . .	Method for reducing solvent residue in lithium bis(fluorosulfonyl)imide salt (降低雙氟磺酰亞胺鋰鹽中溶劑殘留的方法)	Invention	PRC	ZL202111118011.6	Our Company	20 years from September 24, 2021
16 . .	Preparation method for lithium bis(fluorosulfonyl)imide (一種雙氟磺酰亞胺鋰的製備方法)	Invention	PRC	ZL202110623551.3	Our Company	20 years from June 4, 2021
17 . .	Purification method for lithium bis(fluorosulfonyl)imide (一種雙氟磺酰亞胺鋰的提純方法)	Invention	PRC	ZL201911127313.2	Our Company	20 years from November 18, 2019
18 . .	Silicon-coated carbon fiber composite material, preparation method, and application thereof (一種硅包覆的碳纖維複合材料及其製備方法和應用)	Invention	PRC	ZL201610865456.3	Our Company, Zhejiang University	20 years from September 30, 2016
19 . .	Preparation method for polypyrrole-coated nanotubular silicon material, product, and application thereof (一種聚吡咯包裹的納米管狀硅材料的製備方法、產品及應用)	Invention	PRC	ZL201510423067.0	Our Company, Zhejiang University	20 years from July 17, 2015
20 . .	Silicon-coated carbon fiber nanocomposite material, preparation method, and application thereof (一種硅包覆碳纖維納米複合材料及其製備方法和應用)	Invention	PRC	ZL201410019440.1	Our Company, Zhejiang University	20 years from January 17, 2014

No.	Patent	Type of Patent	Place of Registration	Patent Number	Owner	Term of Patent
21 . .	Method for separating potassium chloride and potassium fluoride (一種氯化鉀與氟化鉀的分離方法)	Invention	PRC	ZL201210232819.1	Our Company	20 years from July 6, 2012
22 . .	Acid and water removal method for fluoroethylene carbonate (氟代碳酸乙烯酯的除酸除水方法)	Invention	PRC	ZL200910213448.0	Our Company	20 years from October 29, 2009
23 . .	Preparation method for high-purity chlorinated cyclic carbonate (高純氯代環狀碳酸酯的製備方法)	Invention	PRC	ZL200710171102.X	Our Company	20 years from November 27, 2007
24 . .	Method for inhibiting discoloration of vinylene carbonate (抑制碳酸亞乙烯酯變色的方法)	Invention	PRC	ZL200910213450.8	Our Company	20 years from October 29, 2009
25 . .	Preparation method for fluorinated cyclic carbonate (氟代環狀碳酸酯的製備方法)	Invention	PRC	ZL200710041599.3	Our Company	20 years from June 1, 2007
26 . .	Method for inhibiting deterioration of vinylene carbonate (抑制碳酸亞乙烯酯變質的方法)	Invention	PRC	ZL201010525213.8	Our Company	20 years from October 30, 2010
27 . .	Dryer used in the production process of fluoroethylene carbonate (一種用於氟代碳酸乙烯酯生產過程中的乾燥機)	Invention	PRC	ZL202511448976.X	Taixing Huasheng	20 years from October 11, 2025
28 . .	Separation device for by-products from vinylene carbonate production (一種用碳酸亞乙烯酯生產的副產物分離裝置)	Invention	PRC	ZL202511452891.9	Taixing Huasheng	20 years from October 13, 2025
29 . .	Centrifugal separation device for by-products in a vinylene carbonate production system (一種碳酸亞乙烯酯生產系統用副產品離心分離裝置)	Invention	PRC	ZL202411842444.X	Taixing Huasheng	20 years from December 13, 2024
30 . .	Short-path distillation high-efficiency purification device for lithium bis(fluorosulfonyl)imide and purification method thereof (一種雙氟磺酰亞胺鋰短程蒸餾高效提純裝置及其提純方法)	Invention	PRC	ZL202110971328.8	Taixing Huasheng	20 years from August 23, 2021

No.	Patent	Type of Patent	Place of Registration	Patent Number	Owner	Term of Patent
31 . .	Synthesis method for methylene methanedisulfonate (一種甲烷二磺酸亞甲酯的合成方法)	Invention	PRC	ZL201710249542.6	Taixing Huasheng	20 years from April 17, 2017
32 . .	Method for inhibiting deterioration of vinylene carbonate (抑制碳酸亞乙烯酯變質的方法)	Invention	PRC	ZL201010525213.8	Our Company	20 years from October 30, 2010
33 . .	Phenyl organic acid compound-modified graphite negative electrode material and preparation method thereof (一種苯基有機酸化合物修飾石墨負極材料及其製備方法)	Invention	PRC	ZL202010290914.1	Huaying New Energy	20 years from April 14, 2020
34 . .	Amide-grafted plasticized polyvinyl alcohol binder, preparation method, and application thereof (一種酰胺基接枝增塑聚乙烯醇黏結劑及其製備方法與應用)	Invention	PRC	ZL202110806772.4	Huaying New Energy	20 years from July 16, 2021
35 . .	Polyimide-modified nanosilicon negative electrode material, preparation method, and application thereof (一種聚酰亞胺修飾納米硅負極材料及其製備方法和應用)	Invention	PRC	ZL202010707190.6	Huaying New Energy	20 years from July 21, 2020
36 . .	Preparation method for high-temperature graphite negative electrode material (一種高溫用石墨負極材料的製備方法)	Invention	PRC	ZL201810793636.4	Our Company	20 years from July 19, 2018
37 . .	High-performance silicon negative electrode material suitable for oily binders and preparation method thereof (一種適配於油性黏結劑的高性能硅負極材料及其製備方法)	Invention	PRC	ZL201911064255.3	Huaying New Energy	20 years from November 4, 2019
38 . .	Synthesis device for fluoroethylene carbonate (氟代碳酸乙烯酯合成裝置)	Utility Model	PRC	ZL202421512918.X	Taixing Huasheng	10 years from June 28, 2024
39 . .	Filtration and separation device for vinylene carbonate production (碳酸亞乙烯酯生產用過濾分離裝置)	Utility Model	PRC	ZL202421515813.X	Taixing Huasheng	10 years from June 29, 2024

No.	Patent	Type of Patent	Place of Registration	Patent Number	Owner	Term of Patent
40 . .	Evaporation system for aqueous potassium chloride solution, a by-product of fluoroethylene carbonate production (氟代碳酸乙烯酯副產氯化鉀水溶液蒸發系統)	Utility Model	PRC	ZL202420919236.4	Taixing Huasheng	10 years from April 29, 2024
41 . .	Vinylene carbonate production system (一種碳酸亞乙烯酯生產系統)	Utility Model	PRC	ZL202420545494.0	Taixing Huasheng	10 years from March 20, 2024
42 . .	Acid scavenger recovery system for vinylene carbonate production (碳酸亞乙烯酯生產用縛酸劑回收系統)	Utility Model	PRC	ZL202420549298.0	Taixing Huasheng	10 years from March 21, 2024
43 . .	Chlorination reaction system for chloroethylene carbonate (氯代碳酸乙烯酯氯化反應系統)	Utility Model	PRC	ZL202420531670.5	Taixing Huasheng	10 years from March 19, 2024
44 . .	Preparation device for fluoroethylene carbonate based on solvent-free synthesis (基於無溶劑法合成氟代碳酸乙烯酯的製備裝置)	Utility Model	PRC	ZL202320835110.4	Taixing Huasheng	10 years from April 14, 2023
45 . .	Continuous pressure filtration equipment for by-product potassium chloride from fluoroethylene carbonate production (一種氟代碳酸乙烯酯副產氯化鉀的連續化壓濾設備)	Utility Model	PRC	ZL202320835107.2	Taixing Huasheng	10 years from April 14, 2023
46 . .	Continuous production line for synthesizing chloroethylene carbonate (一種連續化合成氯代碳酸乙烯酯的製備線)	Utility Model	PRC	ZL202320870169.7	Taixing Huasheng	10 years from April 18, 2023
47 . .	Device for uniformly irradiating chloroethylene carbonate with ultraviolet light for measurement and preparation (一種紫外光照射均勻全面的氯代碳酸乙烯酯測定製備裝置)	Utility Model	PRC	ZL202220622075.3	Taixing Huasheng	10 years from March 22, 2022
48 . .	Device for improving synthesis yield of vinylene carbonate (一種可提高碳酸亞乙烯酯合成收率的裝置)	Utility Model	PRC	ZL202220621757.2	Taixing Huasheng	10 years from March 22, 2022

No.	Patent	Type of Patent	Place of Registration	Patent Number	Owner	Term of Patent
49 . .	Triethylamine recovery device for vinylene carbonate synthesis equipment (一種用於碳酸亞乙烯酯合成設備三乙胺回收裝置)	Utility Model	PRC	ZL202220622099.9	Taixing Huasheng	10 years from March 22, 2022
50 . .	Stirring device for chloroethylene carbonate production (一種氯代碳酸乙烯酯生產攪拌裝置)	Utility Model	PRC	ZL202022954264.4	Taixing Huasheng	10 years from December 9, 2020
51 . .	Production device for vinylene carbonate (一種碳酸亞乙烯酯的生產裝置)	Utility Model	PRC	ZL202022954262.5	Taixing Huasheng	10 years from December 9, 2020
52 . .	Continuous production device for vinylene carbonate (一種連續化生產碳酸亞乙烯酯的裝置)	Utility Model	PRC	ZL202022958388.X	Taixing Huasheng	10 years from December 9, 2020
53 . .	System for producing chloroethylene carbonate (一種用於生產氯代碳酸乙烯脂的系統)	Utility Model	PRC	ZL201820108738.3	Taixing Huasheng	10 years from January 23, 2018
54 . .	System for producing chloroethylene carbonate (一種用於生產氯代碳酸乙烯脂的新型系統)	Utility Model	PRC	ZL201820108739.8	Taixing Huasheng	10 years from January 23, 2018

(iii) Copyright

As of the Latest Practicable Date, we had registered the following copyright which we consider to be or may be material to our business:

No.	Name of Software	Place of Registration	Registered Owner	Registration Number	Date of Initial Announcement
1 . . .	Changyuan Huasheng (Taixing) Lithium Battery Materials Data Classification Management System V1.0 (長園華盛(泰興)鋰電材料數據分類管理系統V1.0)	PRC	Taixing Huasheng	2018SR663200	March 21, 2018

(iv) Domain Name

As of the Latest Practicable Date, we owned the following domain name, which we consider to be or may be material to our business:

No.	Domain Name	Registration Owner	ICP Filing Number
1 . . .	sinohsc.com sinohsc.cn	Our Company	Su ICP No. 08022368-1

3. FURTHER INFORMATION ABOUT OUR DIRECTORS, CHIEF EXECUTIVE AND SUBSTANTIAL SHAREHOLDERS

A. Disclosure of Interests of Directors and Chief Executive

To the best knowledge of our Directors, saved as disclosed below, immediately following the completion of the [REDACTED] (assuming (i) the [REDACTED] is not exercised (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED] and (iii) without taking into account of the effect of the Potential Share Reduction Plan), none of our Directors or chief executive has any interests or short positions in the Shares, underlying Shares and debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

			As of the Latest Practicable Date		Immediately following the completion of the [REDACTED]		
Name of shareholder	Nature of interest	Description of Shares	Number of Shares(1)	Approximately percentage of shareholding in the issued share capital of our Company	Number of Shares(1)	Approximate percentage of shareholding in the A Shares	Approximate percentage of shareholding in the total issued share capital of our Company
Mr. Shen	Beneficial Owner	A Shares	17,440,726	10.9%	17,440,726	10.9%	[REDACTED]%
	Beneficial Owner(2)	A Shares	105,000	0.1%	105,000	0.1%	[REDACTED]%
	Interest in controlled Corporation(3)	A Shares	3,103,000	2.0%	3,103,000	2.0%	[REDACTED]%
	Interest controlled together with other persons(4)	A Shares	72,579,675	45.5%	72,579,675	45.5%	[REDACTED]%
	Interest of spouse(5)	A Shares	580,793	0.4%	580,793	0.4%	[REDACTED]%
Mr. Shen Ming	Beneficial Owner	A Shares	5,901,228	3.7%	5,901,228	3.7%	[REDACTED]%
	Beneficial Owner(6)	A Shares	70,000	0.04%	70,000	0.04%	[REDACTED]%
	Interest in controlled Corporation(7)	A Shares	5,597,000	3.5%	5,597,000	3.5%	[REDACTED]%
	Interest controlled together with other persons(8)	A Shares	81,625,173	51.2%	81,625,173	51.2%	[REDACTED]%
Mr. Li Weifeng	Beneficial Owner	A Shares	2,008,070	1.3%	2,008,070	1.3%	[REDACTED]%
	Beneficial Owner(9)	A Shares	35,000	0.02%	35,000	0.02%	[REDACTED]%
	Interest controlled together with other persons(10)	A Shares	91,115,331	57.1%	91,115,331	57.1%	[REDACTED]%
Mr. Lin Gang	Beneficial Owner	A Shares	1,447,957	0.9%	1,447,957	0.9%	[REDACTED]%
	Beneficial Owner(11)	A Shares	35,000	0.02%	35,000	0.02%	[REDACTED]%
	Interest controlled together with other persons(12)	A Shares	91,675,444	57.5%	91,675,444	57.5%	[REDACTED]%
Mr. Ma Yangguang	Interest in Controlled Corporation(13)	A Shares	27,547,926	17.3%	27,547,926	17.3%	[REDACTED]%

Notes:

(1) All interests stated are long positions.

(2) Pursuant to the 2024 Restricted Share Incentive Plan, Mr. Shen had been granted with 150,000 second-class restricted A Shares, 105,000 among which remained outstanding and subject to vesting as of the Latest Practicable Date. See "— 4. Share Incentive Scheme" below for details.

(3) As of the Latest Practicable Date, Mr. Shen acted as the general partner of Huaying III LP. Accordingly, Mr. Shen was deemed to be interested in such number of Shares held by Huaying III LP.

(4) As of the Latest Practicable Date, Mr. Shen was deemed to be interested in 72,579,675 A Shares by virtue of the Concert Party Agreements and Voting Trust Agreements. See "History, Development and Corporate Structure — Our Voting Rights Structure" in this document for details.

(5) Mr. Shen is the spouse of Ms. Zhang Xuemei. Accordingly, Mr. Shen is deemed to be interested in such number of Shares beneficially owned by Ms. Zhang Xuemei and the outstanding second-class restricted A Shares granted to Ms. Zhang Xuemei under the SFO.

(6) Pursuant to the 2024 Restricted Share Incentive Plan, Mr. Shen Ming had been granted with 100,000 second-class restricted A Shares, 70,000 among which remained outstanding and subject to vesting as of the Latest Practicable Date. See "— 4. Share Incentive Scheme" below for details.

(7) As of the Latest Practicable Date, Mr. Shen Ming acted as the general partner of Huaying II LP. Accordingly, Mr. Shen Ming was deemed to be interested in such number of Shares held by Huaying II LP.

(8) As of the Latest Practicable Date, Mr. Shen Ming was deemed to be interested in 81,625,173 A Shares by virtue of the Concert Party Agreement and Voting Trust Agreements. See "History, Development and Corporate Structure — Our Voting Rights Structure" for details.

(9) Pursuant to the 2024 Restricted Share Incentive Plan, Mr. Li Weifeng had been granted with 50,000 second-class restricted A Shares, 35,000 among which remained outstanding and subject to vesting as of the Latest Practicable Date. See "— 4. Share Incentive Scheme" below for details.

(10) As of the Latest Practicable Date, Mr. Li Weifeng was deemed to be interested in 91,115,331 A Shares by virtue of the Concert Party Agreement and Voting Trust Agreements. See "History, Development and Corporate Structure — Our Voting Rights Structure" for details.

(11) Pursuant to the 2024 Restricted Share Incentive Plan, Mr. Lin Gang had been granted with 50,000 second-class restricted A Shares, 35,000 among which remained outstanding and subject to vesting as of the Latest Practicable Date. See "— 4. Share Incentive Scheme" below for details.

(12) As of the Latest Practicable Date, Mr. Lin Gang was deemed to be interested in 91,651,444 A Shares by virtue of the Concert Party Agreement and Voting Trust Agreements. See "History, Development and Corporate Structure — Our Voting Rights Structure" for details.

(13) As of the Latest Practicable Date, Dunxing Investment acted as the general partner of Dunxing Entities, including Dunxing II LP (holding 11,724,039 A Shares), Dunxing III LP (holding 11,652,172 A Shares) and Dunxing Venture (holding 4,171,715 A Shares). Dunxing Investment was owned by Dunxing Management as to approximately 85.0%, which in-turn wholly-owned by Mr. Ma Yangguang. Accordingly, Dunxing Investment, Dunxing Management and Mr. Ma Yangguang were deemed to be interest in such number of Shares owned by Dunxing Entities.

B. Particulars of Service Contracts

Pursuant to Rules 19A.54 and 19A.55 of the Listing Rules, our Company [has entered into] a service agreement with each of the Directors which contains provisions in relation to, among other things, compliance of relevant laws and regulations, observations of Articles of Association and provisions on arbitration.

The principal particulars of these service agreements are: (a) each of the agreements is for a term of three years following his/her respective effective date of his/her respective effective date of his/her appointment; (b) each of the agreements is subject to termination in accordance with their respective terms.

Save as disclosed above, our Company has not entered, and does not propose to enter, into any service contracts with any of the Directors in their respective capacities as Directors (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

C. Directors' remuneration

Save as disclosed in "Directors and Senior Management — Remuneration of Directors and Five Highest Paid Individuals." and Note 9 to the Accountant's Report as set out in Appendix I, during the Track Record Period, none of our Directors received other remunerations of benefits in kind from us. During the Track Record Period, no fees were paid by our Group to any of our Directors, supervisors or the five highest paid individuals as an inducement to join us or as compensation for loss of office, and there has been no arrangement under which a Director has waived or agreed to waive any emoluments.

D. Disclosure of Interests of Substantial Shareholders

(i) Interests in the Shares of our Company

Save as disclosed in the section headed "Substantial Shareholders" in this document, as of the Latest Practicable Date, our Directors were not aware of any persons who would, immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), having or be deemed or taken to the beneficial interests or short position in our Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of 2 and 3 of Part XV of the SFO, or directly or indirectly be interested in 10% or more of the issued voting shares of our Company or had option in respect of such capital.

(ii) Interests in our Company's subsidiaries

As of the Latest Practicable Date, to the best knowledge of our Directors, the following persons (other than members of our Group, the Directors or chief executive of our Company), as the case may be, were interested in 10% or more of the voting rights at general meetings of our subsidiaries:

Members of our Group	Name of substantial shareholder	Approximate % held by the substantial shareholder
Huaying New Energy . .	Zheng Honghe (鄭洪河)	30.0%
Shengmei Lithium Battery	Zhejiang Sanmei Chemical Industry Co., Ltd. (浙江三美化工股份有限公司)	49.0%
Xianghe New Energy . .	Yunmeng Liankai Investment Center (Limited Partnership) (雲夢聯凱投資中心(有限合夥))	4.6%

E. Disclaimers

Save as disclosed in this document, none of our Directors or any of the parties listed in "— Other Information — Consents of Experts" below is:

(i) interested, directly or indirectly, in our promotion, or in any assets which, within the two years immediately preceding the date of this document, have been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to our Company; or

(ii) materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to our business.

4. SHARE INCENTIVE SCHEME

On July 16, 2024, our Company adopted the 2024 Restricted Share Incentive Plan to attract and retain employees essential to our Group's long-term development. Pursuant to the 2024 Restricted Share Incentive Plan, a total of 2,950,000 Restricted Shares were proposed to be granted to its Participants. The terms of 2024 Restricted Share Incentive Plan do not involve any grant of awards by our Company after the [REDACTED] and are not subject to the provisions of Chapter 17 of the Listing Rules. Principal terms of the Share Incentive Plans are summarized below.

A. Purpose and basis

The purposes of the 2024 Restricted Share Incentive Plan are to further establish and improve our long-term incentive mechanism, attract and retain outstanding talents, and fully motivate their enthusiasm and innovation to enhance cohesion and core competitiveness of our Company. The Share Incentive Plans are implemented to align the interests of our Shareholders, our Company and our core team members, which is beneficial to the sustainable development of our Group and ensures the realization of our development strategy and business objectives.

B. Type of Awards

The 2024 Restricted Share Incentive Plan provides second-class restricted A Shares (the "**Restricted Shares**").

C. Administration

The 2024 Restricted Share Incentive Plan was subject to the approval of the Shareholders' meeting, with our Board authorised to administer the plan and implement the grants. The Shareholders, at the 2024 second extraordinary general meeting held on July 16, 2024, granted our Board the authority to determine grant dates, distribute shares to eligible participants and make necessary adjustments within the scope of the approved plan. Any material amendments to the 2024 Restricted Share Incentive Plan will require further Shareholder approval in accordance with the relevant laws and regulations.

D. Participants

Participants under the Share Incentive Plans (the "**Participants**") include (as the case may be), (i) the Directors and senior management members of our Company, (ii) middle-level management personnels, and (iii) core employees, core technician, core technical and business key personnel and other employees the Directors consider fits, but do not include independent non-executive Directors and supervisors of our Company.

E. Source and Maximum Number of Shares

The Shares underlying the 2024 Restricted Share Incentive Plan are A Shares to be newly issued and/or repurchased. The 2024 Restricted Share Incentive Plan contemplated a total grant of 2,950,000 Restricted Shares, comprising (i) an initial grant of 2,370,000 Restricted Shares; and (ii) a reserved portion of 580,000 Restricted Shares.

F. Date of Grant and Term of the Scheme

On August 22, 2024, our Board granted 2,370,000 Restricted Shares at a grant price (the "**Grant Price**") of RMB12.00 per Share to 160 Participants as the first grant. Such Grant Price was adjusted to RMB11.70 per Share pursuant to the terms of the 2024 Restricted Share Incentive Plan as a result of the distribution of profits for the first three quarters of 2024. Further, on June 13, 2025, our Company granted 150,000 reserved Restricted Shares at a Grant Price of RMB11.70 per Share to 23 Participants. Under the 2024 Restricted Share Incentive Plan, the number of Restricted Shares that may be granted to any Participant does not exceed 1% of our Company's total share capital at the time when 2024 Restricted Share Incentive Plan was approved.

The 2024 Restricted Share Incentive Plan is effective from the date of the initial grant of Restricted Shares up to the date when all of the Restricted Shares granted under the plan have been either vested or invalidated, whichever occurs earlier, provided that such period shall not exceed 60 months.

G. Lock-up for Directors and the Senior Management Team

The lock-up arrangements under the 2024 Restricted Share Incentive Plan are determined according to the Articles of Association and applicable PRC laws and regulations:

(i) In the event that the Participant is a Director or a senior management of our Company, during his/her employment with our Company, the Shares which may be transferred in each year shall not exceed 25% of the total shares held by him/her.

(ii) In the event that the Participant is a Director or a senior management of our Company, no Shares held by him/her may be transferred within six months after termination of their employment with our Company.

(iii) In the event that the Participant is a Director or a senior management of our Company, any income gained through the sale of Shares within six months of purchase, or purchase of Shares within six months of the sale, shall belong to our Company and will be reclaimed by our Board.

(iv) If there is any change in the applicable laws and regulations on these lock-up requirements, the Participant shall comply with the amended laws and regulations.

H. Conditions to the Grants

The Restricted Shares under the 2024 Restricted Share Incentive Plan will only be granted to selected Participants if the following conditions are fulfilled:

(i) With respect to our Company, none of the following circumstances has occurred: (a) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the reporting accountant with respect to our Company's financial statements for the most recent financial year; (b) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the reporting accountant with respect to the internal control report for the most recent financial year; (c) our Company has not distributed profits in accordance with laws, regulations, the articles of association or public commitments within the last 36 months after its listing; (d) applicable laws and regulations prohibit the implementation of share incentive; or (e) any other circumstances determined by the CSRC.

(ii) With respect to a Participant, none of the following circumstances has occurred: (a) the Participant has been regarded as an inappropriate person by the Shanghai Stock Exchange within the last 12 months; (b) the Participant has been regarded as an inappropriate person by the CSRC or its local office within the last 12 months; (c) the Participant has been punished or prohibited from entering the securities market by the CSRC or its local office due to material non-compliance within the last 12 months; (d) the Participant is not qualified to serve as a director or senior management according to the PRC Company Law; (e) the Participant is prohibited from participating in any share incentive plans of listed companies according to applicable laws and regulations; or (f) any other circumstances determined by the CSRC.

Participants are required to subscribe for the Restricted Shares using their own funds and must not obtain loans or other financial assistance from our Company. No consideration is paid/payable other than the Grant Price, and the Restricted Shares may not be transferred, pledged or used as security prior to vesting.

I. Vesting

(i) Vesting Conditions

The Restricted Shares will only vest when: (a) the conditions set out in "— H. Conditions of the Grants" are fulfilled; (b) the Participant has served our Company for more than 12 months, and (c) the annual assessment and performance targets set out under the 2024 Restricted Share Incentive Plan are achieved.

(ii) Vesting Schedule

(a) Main vesting schedule: the Restricted Shares (other than those under the reserved portion) will vest in three tranches of 30%, 30% and 40% during the respective 12-month periods between the first trading date after the 12 months from the date of grant and the last trading day within the 48 months of the date of grant.

(b) Reserved portion: the vesting schedule for the Restricted Shares under the reserved portion depends on the timing of the grant: (1) in the event that such Restricted Shares are granted before the disclosure of the Company's third quarterly report for 2024, such Restricted Shares will vest in accordance with the main vesting schedule; and (2) in the event that the Restricted Shares are granted on or after the disclosure of the Company's third quarterly report for 2024, such Restricted Shares will vest in two tranches of 50% during the respective 12-month periods between the first trading date after the 12 months from the date of grant and the last trading day within the 36 months of the date of grant.

Upon fulfilment of all vesting conditions, the Participants shall pay the Grant Price to purchase the underlying A Shares from our Company. The Grant Price shall not be lower than the par value of the A Shares and (a) 50% of the average trading price of the A shares on the trading day before the announcement of the draft plan; and (b) 50% of the average trading price of the A shares during the 20 trading days, 60 trading days and 120 trading days before the announcement, respectively.

J. Dividend and Voting Rights

The Restricted Shares granted to the Participants under the 2024 Restricted Share Incentive Plan do not carry any voting rights or entitlements to dividends or other distributions prior to the fulfilment of the vesting conditions and the completion of the relevant registration procedures. Only after vesting and registration will the Participants be entitled to voting rights and dividends with respect to the vested Shares.

K. Outstanding Restricted Shares

As of the Latest Practicable Date, the number of underlying A Shares which may be vested pursuant to the outstanding Restricted Shares granted under the 2024 Restricted Share Incentive Plan was 1,813,200 A Shares, representing approximately [1.0]% of the total issued Shares immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes to our issued and outstanding Shares between the Latest Practicable Date and the [REDACTED]).

The impact on earnings per Share following the [REDACTED] in connection with the 2024 Restricted Share Incentive Plan is expected to be minimal, as there will be minimal increase in the diluted weighted average outstanding Restricted Shares following the [REDACTED], which brought minimal dilutive effect as compared to the total Shares in issue.

The following table sets forth the number of outstanding Restricted Shares granted to our Directors and senior management of our Company under the 2024 Restricted Share Incentive Plan as of the Latest Practicable Date:

Name of Participant	Positions within our Group/ relationship with our Directors	Address	Date of grant	Vesting period	Grant price	Number of outstanding Restricted Shares	Approximate percentage of total issued Shares in our Company immediately after the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes to our issued and outstanding Shares between the Latest Practicable Date and the [REDACTED])
Mr. Shen	Chairman and executive Director	No. 204–404 Commercial and Residential Building Renmin Road Zhangjiagang, Jiangsu Province PRC	August 22, 2024	Vest in two tranches of 30% and 40% of the total granted Restricted Shares during the respective 12-month periods between the first trading date after the 24 months from the date of grant and the last trading day within the 48 months of the date of grant	RMB11.70 per Share	105,000	[REDACTED]%
Mr. Shen Ming	General Manager and executive Director	Room 403, Block 179 Jiyang Lake Garden Yangshe Town Zhangjiagang, Jiangsu Province PRC	August 22, 2024		RMB11.70 per Share	70,000	[REDACTED]%
Mr. Li Weifeng	Deputy General Manager and executive Director	Room 702, Block 20 Zhonglian Huangguan Yangshe Town Zhangjiagang, Jiangsu Province, PRC	August 22, 2024		RMB11.70 per Share	35,000	[REDACTED]%
Mr. Lin Gang	Deputy General Manager and executive Director	No. 20–505 Jinwan Zhangjiagang, Jiangsu Province PRC	August 22, 2024		RMB11.70 per Share	35,000	[REDACTED]%
Mr. Huang Zhendong	Deputy General Manager, secretary of the Board and company secretary	No. 1 Desheng Road Yangtze River International Chemical Industrial Park Zhangjiagang, Jiangsu Province PRC	August 22, 2024		RMB11.70 per Share	35,000	[REDACTED]%
Mr. Ren Guoping . . .	Financial controller	Room 808, Block 337 Jiyang Lake Garden Yangshe Town Zhangjiagang, Jiangsu Province, PRC	August 22, 2024		RMB11.70 per Share	35,000	[REDACTED]%

The table below sets out the details of outstanding Restricted Shares granted to other Participants (excluding our Directors and senior management of our Company) under the 2024 Restricted Share Incentive Plan as of the Latest Practicable Date:

Date of grant	Number of Participants	Vesting period	Grant price	Number of outstanding Restricted Shares	Approximate percentage of total issued Shares in our Company immediately after the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes to our issued and outstanding Shares between the Latest Practicable Date and the [REDACTED])
Middle-level management personnels or core employees					
August 22, 2024 . .	152[(1)]	Vest in two tranches of 30% and 40% of the total granted Restricted Shares during the respective 12-month periods between the first trading date after the 24 months from the date of grant and the last trading day within the 48 months of the date of grant	RMB11.70 per Share	1,348,200	[REDACTED]%
June 13, 2025. . . .	15	Vest in two tranches of 50% during the respective 12-month periods between the first trading date after the 12 months from the date of grant and the last trading day within the 36 months of the date of grant	RMB11.70 per Share	150,000	[REDACTED]%

Note:

(1) Including two Participants who are associates of our Directors.

5. OTHER INFORMATION

A. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries.

B. Litigation

As of the Latest Practicable Date, we were not aware of any litigation or arbitration proceedings of material importance pending or threatened against any member of our Group that could have a material adverse effect on our financial condition or results of operations.

C. Sole Sponsor

The Sole Sponsor has [REDACTED] to the Stock Exchange for the [REDACTED] of, and permission to [REDACTED], our [REDACTED] to be [REDACTED] pursuant to the [REDACTED]. All necessary arrangements have been made enabling the [REDACTED] to be admitted into [REDACTED]. The Sole Sponsor satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

The Sole Sponsor will be paid by our Company a fee of [REDACTED] million to act as the Sponsor to our Company in connection with the [REDACTED].

D. Compliance Advisor

Our Company has appointed Ignite Capital (Asia Pacific) Limited as our Compliance Advisor in compliance with Rule 3A.19 of the Listing Rules.

E. Preliminary Expenses

We have not incurred any material preliminary expenses in relation to the incorporation of our Company.

F. Taxation of Holder of [REDACTED]

The [REDACTED] of [REDACTED] are subject to Hong Kong stamp duty if such [REDACTED] are effected on the [REDACTED] register of members of our Company, including in circumstances where such transaction is effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such [REDACTED] is a 0.1% of the consideration or, if higher, the fair value of the H [REDACTED] being sold or transferred. For further information in relation to taxation, see "Appendix III — Taxation and Foreign Exchange."

G. Consents of Experts

The following experts have each given and have not withdrawn their respective written consents to the issue of this document with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

Name	Qualification
Huatai Financial Holdings (Hong Kong) Limited	A licensed corporation to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 3 (leveraged foreign exchange trading), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) of the regulated activities as defined under the SFO
Grandall Law Firm (Nanjing)	PRC legal advisers to our Company
China Insights Industry Consultancy Limited . .	Independent industry consultant
Rongcheng (Hong Kong) CPA Limited.	Certified Public Accountants and Registered Public Interest Entity Auditor

As of the Latest Practicable Date, save in connection with the [REDACTED], none of the experts named above had any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to [REDACTED] or to nominate persons to [REDACTED] securities in any member of our Group.

H. Promoters

The promoters of our Company are as follows:

No.	Name of promoters of our Company
1 . . .	Jin Nonglian
2 . . .	Mr. Shen
3 . . .	Dunxing II LP
4 . . .	Dunxing III LP
5 . . .	Suzhou Huizhang
6 . . .	Dong Jin
7 . . .	Mr. Shen Ming
8 . . .	Dunxing Value
9 . . .	Changzhou Zhongding Tiansheng Venture Capital Partnership Enterprise (Limited Partnership) (常州中鼎天盛創業投資合夥企業(有限合夥))
10 . .	Mr. Li Weifeng
11 . .	Xu Meilan

No.	Name of promoters of our Company
12 . .	Mr. Yuan Yang
13 . .	Mr. Lin Gang
14 . .	Mr. Yuan Xuan
15 . .	Mr. Shen Gang
16 . .	Xu Jinlai
17 . .	Mr. Zhang Xianlin
18 . .	Ms. Zhang Xuemei
19 . .	Mr. Gu Jianwei
20 . .	Xu Zhimin (許智敏)
21 . .	Yu Huiqi (郁慧祺)
22 . .	Mr. Shen Yinliang
23 . .	Mr. Shen Qiang
24 . .	Zhang Liya (張麗亞)
25 . .	Zhu Jieyuan (朱解元)
26 . .	Wan Baopo (萬保坡)
27 . .	Mr. Ren Guoping
28 . .	Yang Zhiyong (楊志勇)
29 . .	Sun Changbiao (孫昌標)
30 . .	Wu Jinchu (吳金初)

Within the two years immediately preceding the date of this document, no cash, securities, amount or benefit has been paid, [REDACTED] or given, or has been proposed to be paid, [REDACTED] or given, to any of the promoters named above in connection with the [REDACTED] or the related transactions described in this document.

I. Bilingual Document

The English language and Chinese language versions of this document are being published separately in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

J. Binding Effect

This document shall have the effect, if an application is made in pursuance of this document, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in so far as applicable.

K. No Material Adverse Change

Our Directors confirm that there has been no material adverse change in our financial, business position or prospects since December 31, 2025, being the date of our consolidated financial statements as set out in the Accountants' Report in Appendix I to this document, and up to the date of this document.

L. Miscellaneous

Save as disclosed in the section headed "Financial Information" and this Appendix, in connection with the [REDACTED] or otherwise waived from disclosure pursuant to the waivers disclosed in the section headed "Waivers from Strict Compliance with the Listing Rules",

(i) within the two years immediately preceding the date of this document, to the best of our knowledge,

(a) neither our Company nor any of our subsidiaries has issued or agreed to issue any share or loan capital fully or partly paid up either for cash or for a consideration other than cash; and

(b) no commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries;

(ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) there are no arrangements under which future dividends are waived or agreed to be waived;

(iv) there have been no interruptions in our business which may have or have had a significant effect on our financial position in the 12 months preceding the date of this document; and

(v) our Company has no outstanding convertible debt securities or debentures.