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XINYI ELECTRIC STORAGE HOLDINGS LIMITED
信義儲電控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 08328)

CONTINUING CONNECTED TRANSACTIONS
PROVISION OF ENERGY MANAGEMENT SOLUTIONS

On 30 December 2025 (after trading hours), the Energy Management Solution Agreements have been entered into, pursuant to which the Group will operate the BTM Energy Storage Stations and will provide energy management solutions to Xinyi Energy (Wuhu) and Xinyi Glass (Jiangsu).

Implications under the GEM Listing Rules

Each of the ESS Users is a wholly-owned subsidiary of Xinyi Glass. The Controlling Shareholders and their respective associates are in aggregate interested in more than 30% of the issued shares of Xinyi Glass. Accordingly, the ESS Users are connected persons of the Company and the transactions contemplated under the Energy Management Solution Agreements will constitute continuing connected transactions for the Company under Chapter 20 of the GEM Listing Rules.

Given that the highest applicable percentage ratio (other than the profits ratio) calculated with reference to the Annual Caps for the Energy Management Solution Agreements on an aggregate basis pursuant to Rule 19.07 of the GEM Listing Rules is more than 0.1% but less than 5% and the total consideration exceeds HK$3.0 million, the continuing connected transactions under the Energy Management Solution Agreements are subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

On 30 December 2025 (after trading hours), the Energy Management Solution Agreements have been entered into, pursuant to which the Group will operate the BTM Energy Storage Stations and will provide energy management solutions to Xinyi Energy (Wuhu) and Xinyi Glass (Jiangsu). The following sets forth the principal terms of the Energy Management Solution Agreements:

Principal terms of the Energy Management Solution Agreements

	Wuhu Energy Management Solution Agreement	**Zhangjiagang Energy Management Solution Agreement**
Date:	30 December 2025 (after trading hours)	
Parties:	(a) Xinyi New Energy Material as the ESS Developer and Operator and (b) Xinyi Energy (Wuhu) as the ESS User.	(a) Xinyi Power (Suzhou) as the ESS Developer and Operator and (b) Xinyi Glass (Jiangsu) as the ESS User.
Term:	Commencing on 1 January 2026 and ending on 31 December 2028.	
Service:	The ESS Developer and Operator will be responsible for financing, designing, constructing, and managing the operation and maintenance of the relevant BTM Energy Storage Stations and the ESS User will use the electricity stored.	
Service fee calculation and payment:	The energy storage station stores the electricity during off-peak or flat rate periods and supplies the electricity to the ESS User's load during peak rate periods, generating service fee from the price difference between peak and off-peak/flat periods. The service fee will be settled on a monthly basis, which is based on 80% of the total amount of the electricity savings. The following sets forth the calculation of the amount of the electricity savings: Total amount of electricity savings = ∑Discharged electricity × Actual electricity price for the peak period − ∑Charged electricity × Actual electricity price for the off-peak/flat periods	

Ownership of the BTM Energy Storage Stations:	During the term of the Energy Management Solution Agreements, the ESS Developer and Operator shall retain the ownership of the relevant BTM Energy Storage Stations.
Obligations of the ESS Developer and Operator:	**Service:** the ESS Developer and Operator will be responsible for the investment, construction and operation of the BTM Energy Storage Stations. **Maintenance:** the ESS Developer and Operator will provide maintenance services for the equipment during the operation period and will bear the relevant maintenance cost. **Permits:** the ESS Developer and Operator will be responsible for securing the required government permits for project implementation. **Compliance:** the ESS Developer and Operator will ensure compliance with the relevant laws and regulations during the implementation and operation of the project.
Obligations of the ESS User:	**Support:** the ESS User will provide all necessary supports for the construction and operation of the BTM Energy Storage Stations. **Prioritising the use of stored electricity:** the ESS User will ensure continuous grid connection and prioritise the use of electricity stored at and supplied to the energy storage station. **Meter reading and payment:** the ESS User will cooperate in meter reading of electricity generated by the energy storage station and make timely payments to the ESS Developer and Operator pursuant to the contract provisions. **Compensation for losses:** the ESS User will compensate the ESS Developer and Operator for losses if the actions of the ESS User lead to equipment failure or damage. **Permits:** the ESS User will assist the ESS Developer and Operator to obtain applicable permits.

Annual Caps and bases of determination

The historical transaction amounts for the annual service fee paid under the First Zhangjiagang Energy Management Solution Agreement for the two years ended 31 December 2024 and the eleven months ended 30 November 2025 are set forth as follows:

	Year ended 31 December		Eleven months ended 30 November
	2023	**2024**	**2025**
	RMB	*RMB*	*RMB*
Historical amount of service fee under the First Zhangjiagang Energy Management Solution Agreement	36,000 (equivalent to HK$40,000)	2,510,000 (equivalent to HK$2,757,000)	1,838,000 (equivalent to HK$2,019,000)

The above amounts fell within the scope of *de minimis* threshold under the GEM Listing Rules. Xinyi New Energy Material has also been providing the services for the Wuhu BTM Energy Storage Station to Xinyi Energy (Wuhu) since November 2025, and the aggregated historical amounts with the First Zhangjiagang Energy Management Solution Agreement for the eleven months ended 30 November 2025 fell within the scope of *de minimis* threshold under the GEM Listing Rules. The Directors expect that the actual aggregated transaction amount for the services provided for the BTM Energy Storage Stations for the year ending 31 December 2025 would continue to fall within the scope of *de minimis* threshold under the GEM Listing Rules. During each of the three years ending 31 December 2028, the maximum amount of the annual service fee under the Energy Management Solution Agreements will not exceed the following Annual Caps:

	Year ending 31 December		
	2026	**2027**	**2028**
	RMB	*RMB*	*RMB*
Wuhu Annual Caps	2,501,000 (equivalent to HK$2,747,000)	2,501,000 (equivalent to HK$2,747,000)	2,501,000 (equivalent to HK$2,747,000)
Zhangjiagang Annual Caps	1,422,000 (equivalent to HK$1,562,000)	1,422,000 (equivalent to HK$1,562,000)	1,422,000 (equivalent to HK$1,562,000)
Annual Caps (total)	3,923,000 (equivalent to HK$4,309,000)	3,923,000 (equivalent to HK$4,309,000)	3,923,000 (equivalent to HK$4,309,000)

In determining the Annual Caps, the Board has considered the pricing under the Energy Management Solution Agreements. The Board considers that the terms and conditions of the Energy Management Solution Agreements are determined on an arm's length basis following negotiations between the Company and Xinyi Glass and upon normal commercial terms taking into consideration the following:

(a) the historical amount of service fee charged under the First Zhangjiagang Energy Management Solution Agreement;

(b) the estimated electricity consumption level of Xinyi Glass (Jiangsu) and Xinyi Energy (Wuhu) during the term of the Zhangjiagang Energy Management Solution Agreement and the Wuhu Energy Management Solution Agreement, respectively, which in turn, was made reference to (i) the historical level of consumption of electricity of Xinyi Glass (Jiangsu) and Xinyi Energy (Wuhu) and (ii) their future demand of electricity for the three years ending 31 December 2028, which expectedly shall be similar to the historical level of use in 2024 and 2025;

(c) the electricity price charged by the State Grid as the reference market price;

(d) by using the Zhangjiagang BTM Energy Storage Station and Wuhu BTM Energy Storage Station, the estimated total amount of electricity savings by taking into account the estimated electricity consumption level and the electricity price charged by the State Grid as set forth in paragraphs (b) and (c) above and computed based on the formula set forth in the section headed "Principal terms of the Energy Management Solution Agreements" above; and

(e) the service fees to be charged by the Company, which are based on 80% of the total amount of electricity savings. The Company has conducted thorough research on the prevailing market service fees charged by independent third party service providers for similar services in the PRC. Based on such research, it is understood by the Company that the prevailing market service fees charged by such independent third party service providers are within the approximate range of 70% to 90%. Accordingly, the Company has determined to charge a service fee of 80%, representing the average of such range of prevailing market service fee, where the Board believes such percentage is fair and reasonable and is within the range of the market benchmark.

If any of the total annual transaction amount under the Energy Management Solution Agreements is expected to exceed the relevant Annual Caps or if there is any material change to the terms of the Energy Management Solution Agreements, the Company will comply with the applicable requirements under the GEM Listing Rules, as and when appropriate.

Reasons for and benefits of entering into the Energy Management Solution Agreements

The installation of the energy storage stations allow the users to use the electricity efficiently, reduce the electricity cost and promote the optimisation in sourcing the electricity required for production purpose. Pursuant to the Energy Management Solution Agreements, the Group will be responsible for the construction and operation of the BTM Energy Storage Stations, which will continue to be owned by the Group throughout the term thereof. One of the principal activities of the Group is the production and sales of electric storage products. The provision of energy management solutions to the ESS Users is expected to be beneficial to the business development of the Group.

General information on the parties

Information on the Company

The Company is an investment holding company. The Group is principally engaged in the production and sales of electric storage products and photovoltaic films in the PRC as well as the provision of automobile glass repair and replacement services in Hong Kong. In addition, the Group is also engaged in the provision of engineering, procurement and construction services for solar energy projects.

Information on the ESS Developers and Operators

Xinyi New Energy Material is a limited liability company established in the PRC and is a wholly-owned subsidiary of the Company. The principal business activities of Xinyi New Energy Material are the production and sales of photovoltaic films in the PRC.

Xinyi Power (Suzhou) is a limited liability company established in the PRC and is a wholly-owned subsidiary of the Company. The principal business activities of Xinyi Power (Suzhou) are the research, production and sales of electric storage products and provision of engineering, procurement and construction services for photovoltaic power stations in the PRC.

Information on Xinyi Glass

Xinyi Glass is a company listed on the main board of the Stock Exchange and a connected person of the Company. The Directors understand that Xinyi Glass is principally engaged in the production and sales of a wide range of glass products, including automobile glass, architectural glass, float glass and other glass products for different commercial and industrial applications.

Information on the ESS Users

Both Xinyi Energy (Wuhu) and Xinyi Glass (Jiangsu) are limited liability companies established in the PRC and are wholly-owned subsidiaries of Xinyi Glass which is a connected person of the Company. The Directors understand that Xinyi Energy (Wuhu) is principally engaged in the production and sales of glass products in the PRC. The Directors also understand that Xinyi Glass (Jiangsu) is principally engaged in the production of float glass products in the PRC.

Internal control measures adopted by the Group

For the purpose of monitoring the transactions contemplated under the Energy Management Solution Agreements, the Group will continue to adopt the following internal control measures:

(a) The senior management and relevant departments of the Group will review and assess on a regular basis whether the terms set forth in the Energy Management Solution Agreements are on normal commercial terms or better.

(b) Specifically assigned personnel from the relevant departments of the Group will monitor the actual transaction amounts on a regular basis to ensure that the actual transaction amounts under the Energy Management Solution Agreements would not exceed the respective annual caps and due compliance with the respective pricing basis of the transactions.

(c) The finance department of the Group will monitor the transaction amounts contemplated under each of the Energy Management Solution Agreements on a regular basis and will prepare a summary of the transaction amounts on a monthly basis.

(d) The internal audit department of the Group will review and conduct checks on the transaction amounts under the Energy Management Solution Agreements during the course of its annual review to ensure that the pricing basis and internal control procedures under the Energy Management Solution Agreements are complied with.

(e) The independent non-executive Directors will review the continuing connected transactions on an annual basis and report their opinion to the Board.

(f) The auditor of the Company will conduct annual review on the transactions contemplated under the Energy Management Solution Agreements and report their findings and conclusions to the Board.

Approval by the Board

As (a) Tan Sri Datuk TUNG Ching Sai *P.S.M, D.M.S.M, J.P.*, a non-executive Director, is an executive director of Xinyi Glass and has interests in the share capital of Xinyi Glass, (b) Mr. NG Ngan Ho, an executive Director, is a non-executive director of Xinyi Glass and has interests in the share capital of Xinyi Glass and (c) Mr. LEE Shing Kan, M.H., a non-executive Director, is an executive director of Xinyi Glass, each of them has abstained from voting on the resolutions for considering and approving the entering into of the Energy Management Solution Agreements and the transactions contemplated thereunder and the Annual Caps at the relevant meeting of the Board.

Having excluded the above persons who have material interests in the entering into of the Energy Management Solution Agreements and the transactions contemplated thereunder and the Annual Caps, the Directors (including the independent non-executive Directors) are of the opinion that:

(a) the Energy Management Solution Agreements and the transactions contemplated thereunder are entered into upon normal commercial terms after arm's length negotiation and are fair and reasonable;

(b) the Annual Caps are fair and reasonable; and

(c) the Energy Management Solution Agreements and the transactions contemplated thereunder are and will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and its shareholders as a whole.

Implications under the GEM Listing Rules

Each of the ESS Users is a wholly-owned subsidiary of Xinyi Glass. The Controlling Shareholders and their respective associates are in aggregate interested in more than 30% of the issued shares of Xinyi Glass. Accordingly, the ESS Users are connected persons of the Company and the transactions contemplated under the Energy Management Solution Agreements will constitute continuing connected transactions for the Company under Chapter 20 of the GEM Listing Rules.

Given that the highest applicable percentage ratio (other than the profits ratio) calculated with reference to the Annual Caps for the Energy Management Solution Agreements on an aggregate basis pursuant to Rule 19.07 of the GEM Listing Rules is more than 0.1% but less than 5% and the total consideration exceeds HK$3.0 million, the continuing connected transactions under the Energy Management Solution Agreements are subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Definitions used in this announcement

Unless the context requires otherwise, the capitalised terms used in this announcement shall have the following meanings:

"Annual Caps"	means Wuhu Annual Caps and Zhangjiagang Annual Caps;
"associate(s)"	has the meaning ascribed to it under the GEM Listing Rules;
"Board"	means the board of Directors;
"BTM Energy Storage Stations"	refers to the Wuhu BTM Energy Storage Station and Zhangjiagang BTM Energy Storage Station;
"Company"	means Xinyi Electric Storage Holdings Limited (信義儲電控股有限公司), a company incorporated in the Cayman Islands with limited liability, all issued shares of which are listed on GEM (stock code: 08328);
"connected person(s)"	has the meaning ascribed thereto under the GEM Listing Rules;

"Controlling Shareholders"	means Dr. LEE Yin Yee, S.B.S., Datuk Wira TUNG Ching Bor *D.C.S.M*, Tan Sri Datuk TUNG Ching Sai *P.S.M, D.M.S.M, J.P.*, Mr. LEE Sing Din, Mr. LI Ching Wai, Mr. NG Ngan Ho, Mr. LI Man Yin, Mr. SZE Nang Sze, Mr. LI Ching Leung and their respective controlled corporations;
"Directors"	means the directors of the Company;
"Energy Management Solution Agreements"	refers to the Wuhu Energy Management Solution Agreement and Zhangjiagang Energy Management Solution Agreement;
"ESS Developer(s) and Operator(s)"	refers to the energy storage station developer and operator under the Energy Management Solution Agreements, namely Xinyi New Energy Material and Xinyi Power (Suzhou);
"ESS User(s)"	refers to the user of the energy storage station under the Energy Management Solution Agreements, namely Xinyi Energy (Wuhu) and Xinyi Glass (Jiangsu);
"First Zhangjiagang Energy Management Solution Agreement"	refers to the energy management solution agreement dated 6 September 2022 entered into between Xinyi Power (Suzhou) and Xinyi Glass (Jiangsu) for the construction and operation of the Zhangjiagang BTM Energy Storage Station, which has been replaced by the Zhangjiagang Energy Management Solution Agreement upon its entering into on 30 December 2025;
"GEM"	means The Growth Enterprise Market of the Stock Exchange;
"GEM Listing Rules"	means The Rules Governing the Listing of Securities on GEM;
"Group"	means the Company and its subsidiaries;
"HK$"	means Hong Kong dollars, the lawful currency of Hong Kong;
"Hong Kong"	means The Hong Kong Special Administrative Region of the People's Republic of China;

"MW"	means unit of power, megawatt;
"MWh"	means unit of electricity, megawatt-hour;
"PRC"	means The People's Republic of China, which for the purpose of this announcement and geographical reference only, does not include Hong Kong, The Macau Special Administrative Region of the People's Republic of China and Taiwan;
"RMB"	means Renminbi, the lawful currency of the PRC;
"Stock Exchange"	refers to The Stock Exchange of Hong Kong Limited;
"subsidiary(ies)"	has the meaning ascribed to it under the GEM Listing Rules;
"Wuhu Annual Caps"	refers to the maximum annual transaction amount under the Wuhu Energy Management Solution Agreement for each of the three years ending 31 December 2028;
"Wuhu BTM Energy Storage Station"	refers to the Behind-the-Meter (BTM) energy storage station installed within the production facilities of Xinyi Energy (Wuhu) with a power output of 4.5 MW during normal operation and a total charge and discharge capacity of 14.4 MWh per charge and discharge cycle;
"Wuhu Energy Management Solution Agreement"	refers to the energy management solution agreement dated 30 December 2025 entered into between Xinyi New Energy Material as the ESS Developer and Operator and Xinyi Energy (Wuhu) as the ESS User, pursuant to which Xinyi New Energy Material will operate the Wuhu BTM Energy Storage Station;
"Xinyi Energy (Wuhu)"	means Xinyi Energy Smart (Wuhu) Company Limited* (信義節能玻璃(蕪湖)有限公司), a limited liability company established in the PRC and a wholly-owned subsidiary of Xinyi Glass;
"Xinyi Glass"	means Xinyi Glass Holdings Limited (信義玻璃控股有限公司), a company incorporated under in the Cayman Islands with limited liability, all the shares of which are listed on the main board of the Stock Exchange (stock code: 00868);

"Xinyi Glass (Jiangsu)"	means Xinyi Glass (Jiangsu) Company Limited* (信義玻璃(江蘇)有限公司), a limited liability company established in the PRC and a wholly-owned subsidiary of Xinyi Glass;
"Xinyi New Energy Material"	means Anhui Xinyi New Energy Material Company Limited* (安徽信義新能源材料有限公司), a limited liability company established in the PRC and a wholly-owned subsidiary of the Company;
"Xinyi Power (Suzhou)"	means Xinyi Power (Suzhou) Company Limited* (信義電源(蘇州)有限公司), a limited liability company established in the PRC and a wholly-owned subsidiary of the Company;
"Zhangjiagang Annual Caps"	refers to the maximum annual transaction amount under the Zhangjiagang Energy Management Solution Agreement for each of the three years ending 31 December 2028;
"Zhangjiagang BTM Energy Storage Station"	refers to the Behind-the-Meter (BTM) energy storage station installed within the production facilities of Xinyi Glass (Jiangsu) with a power output of 6.75 MW during normal operation and a total charge and discharge capacity of 18 MWh per charge and discharge cycle;
"Zhangjiagang Energy Management Solution Agreement"	refers to the energy management solution agreement dated 30 December 2025 entered into between Xinyi Power (Suzhou) as the ESS Developer and Operator and Xinyi Glass (Jiangsu) as the ESS User, pursuant to which Xinyi Power (Suzhou) will operate the Zhangjiagang BTM Energy Storage Station; and
"%"	means per cent.

On behalf of the board of directors of
Xinyi Electric Storage Holdings Limited
Tan Sri Datuk TUNG Ching Sai ***P.S.M, D.M.S.M, J.P.***
Chairman

Hong Kong, 30 December 2025

* *For identification purposes only*

Unless the context requires otherwise, the conversion of RMB into HK$ is based on the exchange rate of HK$1.00 = RMB0.9105 for reference only. No representation is made that any amount in RMB and HK$ can be or could have been converted at the relevant dates at the above rate or any other rates at all.

As of the date of this announcement, the Board comprises three executive Directors, namely Mr. NG Ngan Ho, Ms. LI Pik Yung and Mr. WANG Mohan, two non-executive Directors, namely Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P. (Chairman) and Mr. LEE Shing Kan, M.H. and three independent non-executive Directors, namely Mr. WANG Guisheng, Mr. NG Wai Hung and Mr. CHAN Hak Kan, S.B.S., J.P..

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will be published on the website of the Stock Exchange at www.hkexnews.hk, on the "Latest Listed Company Information" page for at least 7 days from the date of its publication and on the website of the Company at www.xinyies.com.