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JOINT ANNOUNCEMENT DISCLOSEABLE TRANSACTION IN RELATION TO THE EPC CONTRACT

ENTER INTO THE EPC CONTRACT

Each of the SHNE Board and the SDHG Board announces that on 16 December 2025 (after trading hours), Zhaoping Shangao (a direct non-wholly owned subsidiary of SHNE and an indirect non-wholly owned subsidiary of SDHG, as the principal), entered into the EPC Contract with the Joint Contractors (namely CCCF FHEC, FHSW Engineering and PowerChina Henan), pursuant to which, Zhaoping Shangao agreed to engage the Joint Contractors to provide relevant EPC services in relation to the Project at an aggregate contracting fee of RMB674,628,269.88 (tentatively, tax inclusive) (subject to adjustment in case of change in national tax policies).

LISTING RULES IMPLICATIONS

As at the date of this joint announcement, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction contemplated under the EPC Contract exceeds 5% but is less than 25% for each of SHNE and SDHG, the transaction contemplated under the EPC Contract constitutes a discloseable transaction for each of SHNE and SDHG under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

Zhaoping Shangao is an insignificant subsidiary of SHNE and SDHG under Rule 14A.09 of the Listing Rules. Notwithstanding that China Urban and Rural Construction is a substantial shareholder of Zhaoping Shangao, China Urban and Rural Construction and its ultimate beneficial owner(s) are not regarded as connected persons for each of SHNE and SDHG pursuant to Rule 14A.09 of the Listing Rules. Therefore, the transaction contemplated under the EPC Contract does not constitute a connected transaction for each of SHNE and SDHG under Chapter 14A of the Listing Rules.

ENTER INTO THE EPC CONTRACT

Each of the SHNE Board and the SDHG Board announces that on 16 December 2025 (after trading hours), Zhaoping Shangao (a direct non-wholly owned subsidiary of SHNE and an indirect non-wholly owned subsidiary of SDHG, as the principal), entered into the EPC Contract with the Joint Contractors (namely CCCC FHEC, FHSW Engineering and PowerChina Henan), pursuant to which, Zhaoping Shangao agreed to engage the Joint Contractors to provide relevant EPC services in relation to the Project at an aggregate contracting fee of RMB674,628,269.88 (tentatively, tax inclusive) (subject to adjustment in case of change in national tax policies).

THE EPC CONTRACT

The major terms of the EPC Contract are as follows:

- Date : 16 December 2025 (after trading hours)
- Parties : (a) Zhaoping Shangao;
(b) CCCC FHEC;
(c) FHSW Engineering; and
(d) PowerChina Henan (together with CCCC FHEC and FHSW Engineering, as the Joint Contractors)
- Project : The 100MW wind farm project in Zhaoping County, Hezhou City, Guangxi Zhuang Autonomous Region
- Scope of service : The Joint Contractors shall complete the construction of the Project, including the engineering survey and design for the wind farm, switchyard, collection lines and transmission lines, as well as the procurement, transportation and storage of all equipment and materials, in accordance with the terms of the EPC Contract.
- Construction period : 791 calendar days. The actual time of commencement shall be subject to the written formal notice of the principal.

Consideration : RMB674,628,269.88 (tentatively, tax inclusive) (subject to adjustment in case of change in national tax policies), which is comprised of (i) construction and engineering installation fee of RMB199,559,813.71 (tax inclusive), (ii) equipment purchase fee of RMB255,498,996.28 (tax inclusive), (iii) survey and design fee of RMB4,450,000.00 (tax inclusive), (iv) safety and civilized construction fee of RMB4,988,995.34 (tax inclusive), and (v) other fee (including provisional estimated amount) of RMB210,130,464.55 (tax inclusive). Based on the total tentative consideration and the approved installed capacity of 100MW, the unit price shall be RMB6.746 per watt (tentatively). If the actual installed capacity is greater than the approved installed capacity, it will be settled according to the approved installed capacity, and if it is less than the approved installed capacity, it will be settled according to the actual installed capacity. After one year of full grid connection of the Project, if the actual on-grid settlement electricity price set for the Project is higher or lower than the benchmark electricity price (RMB0.324/kWh), all parties will adjust the unit price per watt (i.e., RMB6.746) under the EPC Contract by way of supplementary agreement. When the specific agreement is entered into, SHNE and SDHG will comply with the applicable Listing Rules and fulfill the approval and information disclosure obligations (if necessary).

The consideration of the EPC Contract was determined through a tendering selection process. In particular, the bid evaluation committee was composed of the company representative of Zhaoping Shangao and the external experts randomly selected from the expert pool of the bidding agency. The Joint Contractors scored the highest among the 5 candidates of contractor after two rounds of evaluation, and were therefore awarded the EPC Contract. The bid evaluation committee has considered the following factors during the selection: (i) the design and construction proposal submitted by the candidates of contractor; (ii) the track record of the candidates of contractor on performing similar projects; (iii) the size of operation, manpower and financial position of the candidates of contractor; and (iv) the quotation of the candidates of contractor.

Payment terms : The consideration shall be paid by Zhaoping Shangao to the Joint Contractors in the following manners:

- (i) Advance payment: The advance payment amount shall be 30% of the total consideration, including 50% of the safety and civilized construction fee. The advance payment shall be made within one month after contract signing or no later than 7 days prior to the agreed commencement date, provided the Joint Contractors submit complete advance payment documentation.
- (ii) Progress payments
 - (a) Survey and design fee: 1) 55% of the survey and design fee shall be paid after the Joint Contractors submit the survey and design results reviewed by the principal. 2) Up to 97% of the survey and design fee shall be paid after completion and acceptance of the Project. 3) After one year of the completion and acceptance of the Project, a design follow-up visit shall be carried out, provided that no engineering quality issues arising from design causes, the remaining 3% of the total survey and design fee shall then be paid.
 - (b) Equipment purchase fee: 1) 55% of the corresponding delivered-equipment value shall be paid to the Joint Contractors after the principal received the equipment inspection report and other documents within 30 days upon delivery and acceptance of each equipment. 2) Up to 100% of the corresponding equipment output value shall be paid within 30 days after energized commissioning of the equipment and the receipt of quality guarantee letter by the principal.

- (c) Construction and engineering installation fee (excluding equipment purchase fee): 1) 55% of the monthly completed output value shall be paid to the Joint Contractors upon submission of the output value statements and other documents reviewed by the principal. 2) Up to 90% of the cumulative completed output value (including the amount of advance payment) shall be paid after full-capacity on-grid connection of the Project. 3) Up to 97% of the settlement amount of the construction and engineering installation shall be paid after completion and acceptance of the Project.
 - (d) Other progress fee: 1) 55% of the actual completed output value shall be paid to the Joint Contractors within 28 days upon submission of the output value statements and other documents reviewed by the principal. 2) Up to 90% of the cumulative completed output value (including the amount of advance payment) shall be paid after full-capacity on-grid connection of the Project. 3) Up to 97% of the settlement amount shall be paid after completion and acceptance of the Project.
- (iii) Quality warranty fee: For the wind turbine, tower and compact substation equipment, an on-demand quality guarantee letter equivalent to 5% of the final settlement amount shall be provided by the Joint Contractors to the principal. The validity period of the quality guarantee letter shall commence from project completion and acceptance until 60 days after the expiration of the equipment quality warranty period. For the construction and installation works and other projects, a quality guarantee letter equivalent to 3% of the final completion settlement amount shall be provided by the Joint Contractors to the principal. The validity period of the quality guarantee letter shall commence from project completion until the expiration of the defect liability period (12 months after completion and acceptance of the Project, in principle).

Performance guarantee : Under the EPC Contract, the Joint Contractors shall provide advance payment guarantee in the amount equivalent to the amount of advance payment to the principal by way of an on-demand letter of advance payment guarantee. The advance payment guarantee shall be returned to the Joint Contractors after the satisfactory completion inspection of the Project.

The payment of consideration under the EPC Contract will be funded by internal resources of the SHNE Group and bank borrowings. Upon completion of the construction, the Project shall be owned and operated by Zhaoping Shangao.

INFORMATION ON THE PARTIES

SHNE and the SHNE Group

SHNE is a company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of the Stock Exchange (Stock Code: 1250). The principal activity of SHNE is investment holding. The SHNE Group is principally engaged in the investment, development, construction, operation and management of photovoltaic power businesses, wind power businesses and clean heat supply businesses in the PRC.

SDHG and the SDHG Group

SDHG is an investment holding company incorporated in Bermuda with limited liability and its shares are listed on the Main Board of the Stock Exchange (Stock Code: 412). The principal activity of SDHG is investment holding. The SDHG Group is principally engaged in industrial investment, standard investment business, non-standard investment business and licensed financial services in the PRC and Hong Kong.

Zhaoping Shangao

As at the date of this joint announcement, Zhaoping Shangao is directly owned as to 70% by SHNE and 30% by China Urban and Rural Construction (a direct wholly-owned subsidiary of China Communications Construction Group (Limited) (中國交通建設集團有限公司)), which is the controlling shareholder of CCCC and wholly owned by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC). It is principally engaged in wind power generation technology services and solar power generation technology services.

Joint Contractors

CCCC FHEC

CCCC FHEC is a company incorporated in the PRC with limited liability, which is owned as to (i) 86.9171% by CCCC; (ii) 6.5461% by ICBC Financial Asset Investment Co., Ltd.* (工銀金融資產投資有限公司), a wholly-owned subsidiary of Industrial and Commercial Bank of China Limited, whose A shares are listed on the Shanghai Stock Exchange (Stock Code: 601398) and H shares are listed on the Stock Exchange (Stock Code: 01398); (iii) 4.2720% by Agricultural Bank Financial Assets Investment Co., Ltd.* (農銀金融資產投資有限公司), a wholly-owned subsidiary of Agricultural Bank of China Limited, whose A shares are listed on the Shanghai Stock Exchange (Stock Code: 601288) and H shares are listed on the Stock Exchange (Stock Code: 01288); and (iv) 2.2648% by Taiping Life Insurance Co., Ltd.* (太平人壽保險有限公司), a non-wholly owned subsidiary of China Taiping Insurance Holdings Company Limited, whose shares are listed on the Stock Exchange (Stock Code: 00966). As at the date of this joint announcement, CCCC FHEC is principally engaged in infrastructure construction.

FHSW Engineering

FHSW Engineering is a company incorporated in the PRC with limited liability. As at the date of this joint announcement, FHSW Engineering is principally engaged in building and construction, municipal public works construction, building decoration and renovation works, landscaping project construction and related businesses, and is a wholly-owned subsidiary of CCCC FHEC.

PowerChina Henan

PowerChina Henan is a company incorporated in the PRC with limited liability. As at the date of this joint announcement, PowerChina Henan is principally engaged in engineering contracting and survey design, power investment and operation, equipment manufacturing and leasing and other business and is a wholly-owned subsidiary of Power Construction Corporation of China, Ltd* (中國電力建設股份有限公司), whose A shares are listed on the Shanghai Stock Exchange (Stock Code: 601669).

To the best of the knowledge, information and belief of the SHNE Directors and the SDHG Directors, having made all reasonable enquiries, as at the date of this joint announcement, CCCC FHEC, FHSW Engineering, PowerChina Henan and their ultimate beneficial owners are Independent Third Parties.

SDHS Group

As at the date of this joint announcement, SDHS Group is (i) directly and indirectly held as to approximately 90% by the Shandong Provincial State-owned Assets Supervision and Administration Commission; and (ii) directly and indirectly held as to approximately 10% by Shandong Caixin Asset Management Co., Ltd., a governmental institution set up by the Shandong Provincial People's Government* (山東省人民政府). SDHS Group is an investment holding company in the infrastructure sector in Shandong Province with total assets of more than RMB1.7 trillion. It operates and manages 9,116 kilometres of expressways and has invested in six publicly listed companies, the shares of which are listed on the stock exchanges in Hong Kong, Shanghai and Shenzhen. It has been awarded domestic AAA-level and international A-level credit ratings.

REASONS FOR AND BENEFITS OF ENTERING INTO THE EPC CONTRACT

SHNE Group has consistently and deeply integrated itself into national strategic planning and the diversified development ecosystem established by SDHS Group. The SDHG Group continues to be optimistic about the positive development of China's economy. It actively integrates its business into the new development pattern in the clean energy field and actively promotes projects in this field which is strongly supported by the Chinese government under the 14th Five-Year Plan to achieve carbon dioxide emissions peak in 2030 and carbon neutrality in 2060. Through continuously expanding the clean energy market nationwide, the investment, construction and operation of the project will further enhance the strategic layout, business coverage and footprint of the SHNE Group and the SDHG Group in Guangxi Zhuang Autonomous Region market. This will not only help the SHNE Group and the SDHG Group to achieve sustainable development of a diversified business portfolio in the field of new energy, but will also broaden the revenue base of the SHNE Group and the SDHG Group in future, strengthen the long-term competitiveness of the SHNE Group and the SDHG Group and enhance their earning capabilities.

In view of the above, each of the SHNE Board and SDHG Board (including their respective independent non-executive directors) is of the view that the transactions to be contemplated under the EPC Contract are entered into after arm's length negotiation and in the SHNE's ordinary and usual course of business and are on normal commercial terms or better, and the terms of which are fair and reasonable and in the interests of each of SHNE and SDHG and their respective shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this joint announcement, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction contemplated under the EPC Contract exceeds 5% but is less than 25% for each of SHNE and SDHG, the transaction contemplated under the EPC Contract constitutes a discloseable transaction for each of SHNE and SDHG under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

Zhaoping Shangao is an insignificant subsidiary of SHNE and SDHG under Rule 14A.09 of the Listing Rules. Notwithstanding that China Urban and Rural Construction is a substantial shareholder of Zhaoping Shangao, China Urban and Rural Construction and its ultimate beneficial owner(s) are not regarded as connected persons for each of SHNE and SDHG pursuant to Rule 14A.09 of the Listing Rules. Therefore, the transaction contemplated under the EPC Contract does not constitute a connected transaction for each of SHNE and SDHG under Chapter 14A of the Listing Rules.

DEFINITIONS

In this joint announcement, unless the context otherwise requires, the following terms have the following meanings:

“CCCC”	China Communications Construction Company Limited (中國交通建設股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose A shares are listed on the Shanghai Stock Exchange (Stock Code: 601800) and H shares are listed on the Stock Exchange (Stock Code: 01800)
“CCCC FHEC”	CCCC First Harbor Engineering Co., Ltd.* (中交第一航務工程局有限公司), a company incorporated in the PRC with limited liability
“China Urban and Rural Construction”	China Urban and Rural Construction Development Co., Ltd.* (中國城鄉控股集團有限公司), a company incorporated in the PRC with limited liability
“EPC”	engineering, procurement and construction

“EPC Contract”	the EPC general contracting contract in relation to the 100MW wind farm project dated 16 December 2025 entered into by Zhaoping Shangao and the Joint Contractors for the Project
“FHSW Engineering”	CCCC First Harbor Southwest Engineering Co., Ltd.* (中交一航局西南工程有限公司), a company incorporated in the PRC with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any entity or person who is not a connected person of SHNE or SDHG within the meaning ascribed thereto under the Listing Rules
“Joint Contractors”	collectively, CCCC FHEC, FHSW Engineering and PowerChina Henan
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this joint announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Project”	the 100MW wind farm project in Zhaoping County, Hezhou City, Guangxi Zhuang Autonomous Region
“PowerChina Henan”	China Electric Power Construction Group Henan Electric Power Survey and Design Institute Co., Ltd.* (中國電建集團河南省電力勘測設計院有限公司), a company incorporated in the PRC with limited liability

“RMB”	Renminbi, the lawful currency of the PRC
“SDHG”	Shandong Hi-Speed Holdings Group Limited (山高控股集團有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 412)
“SDHG Board”	the board of directors of SDHG
“SDHG Directors”	the directors of SDHG
“SDHG Group”	SDHG and its subsidiaries
“SDHS Group”	Shandong Hi-Speed Group Co. Ltd. (山東高速集團有限公司), a company established in the PRC with limited liability and an indirect controlling shareholder of SHNE and a controlling shareholder of SDHG
“SHNE”	Shandong Hi-Speed New Energy Group Limited (山高新能源集團有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1250)
“SHNE Board”	the board of directors of SHNE
“SHNE Directors”	the directors of SHNE
“SHNE Group”	SHNE and its subsidiaries
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Zhaoping Shangao”

Zhaoping Shangao New Energy Co., Ltd.* (昭平縣山高新能源有限公司), a company incorporated in the PRC with limited liability and a direct non-wholly owned subsidiary of SHNE and an indirect non-wholly owned subsidiary of SDHG as at the date of this joint announcement

“%”

per cent

By Order of the SHNE Board

Shandong Hi-Speed New Energy Group Limited

Li Tianzhang

Chairman

By Order of the SDHG Board

Shandong Hi-Speed Holdings Group Limited

Li Tianzhang

Chairman

Hong Kong, 16 December 2025

As at the date of this joint announcement, the SHNE Board comprises Mr. Li Tianzhang, Mr. Zhu Jianbiao, Mr. Wang Wenbo, Mr. Liu Zhijie, Ms. Liao Jianrong, Mr. Li Li and Mr. Wang Meng as executive Directors; and Professor Qin Si Zhao, Mr. Victor Huang, Mr. Yang Xiangliang and Mr. Chiu Kung Chik as independent non-executive Directors.

As at the date of this joint announcement, the SDHG Board comprises Mr. Li Tianzhang, Mr. Zhu Jianbiao, Mr. Liu Zhijie, Ms. Liao Jianrong and Mr. Liu Yao as executive Directors; Mr. Liang Zhanhai, Mr. Chen Di and Mr. Wang Wenbo as non-executive Directors; and Mr. Guan Huanfei, Mr. Chan Wai Hei, Mr. Jonathan Jun Yan and Mr. Fang Ying as independent non-executive Directors.

* For identification purposes only