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山高新能源集團有限公司
SHANDONG HI-SPEED NEW ENERGY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01250)

DISCLOSEABLE TRANSACTION IN RELATION TO THE EPC CONTRACT

ENTER INTO THE EPC CONTRACT

The Board announces that on 22 December 2025 (after trading hours), Wuxiang Beiqing Smart Energy (an indirect non-wholly owned subsidiary of the Company, as the principal), entered into the EPC Contract with CR 17th Bureau 2nd Engineering (as the contractor). Pursuant to the EPC Contract, Wuxiang Beiqing Smart Energy agreed to engage the contractor to provide EPC services in relation to the Project at an aggregate contracting fee of RMB405,513,902.57 (tax inclusive) (subject to adjustment in case of change in national tax policies).

LISTING RULES IMPLICATIONS

As at the date of this 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%, the transaction contemplated under the EPC Contract constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

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THE EPC CONTRACT

The major terms of the EPC Contract are as follows:

Date	:	22 December 2025 (after trading hours)
Parties	:	(i) Wuxiang Beiqing Smart Energy; and (ii) CR 17th Bureau 2nd Engineering
Project	:	The 100MW photovoltaic power generation project in Wuxiang County, Changzhi City, Shanxi Province
Scope of service	:	The contractor shall complete the construction of the Project, including the engineering survey and design for the photovoltaic power plant and step-up substation, as well as the procurement, transportation and storage of all equipment and materials, in accordance with the terms of the EPC Contract.
Construction period	:	Planned commencement date: 1 May 2026 (subject to the commencement of the foundation pouring for photovoltaic zone). Planned completion date: 30 September 2027 (passing the final acceptance inspection).

Consideration	:	RMB405,513,902.57 (tax inclusive) (subject to adjustment in case of change in national tax policies), which is comprised of (i) construction and engineering installation fee of RMB97,244,230.42 (tax inclusive), (ii) equipment purchase fee of RMB266,822,566.39 (tax inclusive), (iii) survey and design fee of RMB4,760,000.00 (tax inclusive), (iv) safety and civilized construction fee of RMB2,431,105.76 (tax inclusive), and (v) other fee of RMB34,256,000.00 (tax inclusive). Based on the total consideration and the planned installed direct current power generation capacity of the Project of 120.0150MW, the unit price shall be RMB3.378860 per watt. If the actual installed direct current power generation capacity is less than the planned installed capacity, it will be settled according to the actual installed capacity. The installed direct current power generation capacity of the Project shall not exceed the planned installed capacity of 120.0150MW in principle. 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 Wuxiang Beiqing Smart Energy and the external experts randomly selected from the expert pool of the bidding agency. The contractor scored the highest among the 5 candidates of contractor after two rounds of evaluation, and was 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 the principal to the contractor in the following manners:

(i) Advance payment: The advance payment amount shall be 20% of the total consideration, including 50% of the safety measure 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 contractor submit complete advance payment documentation. If the contractor provides all advance payment documentation, the principal shall pay the contractor an advance payment total of RMB81,102,780.51. If the contractor fails to provide a special VAT invoice, they may still apply for advance payment, which shall be disbursed in two installments: the first installment amounts to RMB74,406,220.66; and the second advance payment of RMB6,696,559.85 shall be paid separately upon submission of supplementary special VAT invoice totaling RMB80,879,980.51 inclusive of tax.

(ii) Progress payments

(a) Component, container inverter equipment, module brackets, and step-up substation equipment payments: 1) After the primary equipment materials have been procured and the supplier has arranged production, 20% of the corresponding contract price for this item shall be paid to the contractor within 28 days from receiving the relevant documentation by the principal; 2) Upon delivery and acceptance of equipment in batches at the construction site, 60% of the corresponding contract price for such equipment shall be paid to the contractor within 28 days from receiving the relevant documentation by the principal (among which, 65% for photovoltaic modules); 3) After the equipment has been energized and put into operation, up to 95% of the corresponding contract price for this item shall be paid to the contractor within 28 days from receiving the relevant documentation by the principal; 4) Upon the Project completion settlement, up to 100% of settlement amount for the corresponding component, brackets, compact substations, inverters and primary and secondary equipment of step-up substation for this item shall be paid to the contractor within 28 days from receiving the relevant documentation by the principal.

(b) Construction and installation, survey and design, and other cost payments (excluding component, container inverter equipment, module brackets, step-up substation equipment and system accessing engineering fee): 70% of the monthly completed work volume shall be paid to the contractor by the principal within 28 days from receiving the relevant documents provided by the contractor.

(c) System accessing engineering fee: 1) Progress payment for construction and installation: a monthly progress payment equivalent to 75% of the reviewed and confirmed output value shall be paid by the principal to the contractor within 28 days upon the principal confirmed the documents submitted by the contractor; 2) Construction and engineering installation, survey and design, system accessing engineering fee and payment for other expenses upon full-capacity on-grid connection (excluding component, container inverter equipment, module brackets and step-up substation equipment): after full-capacity on-grid connection of the Project, up to 85% of the completed output value shall be paid by the principal within 28 days from receiving the relevant documents provided by the contractor; 3) Construction and engineering installation, survey and design, system accessing engineering fee and payment for other expenses in two months after full-capacity on-grid connection (excluding component, container inverter equipment, module brackets and step-up substation equipment): up to 90% of the cumulative completed output value (including the amount of advance payment) shall be paid by the principal to the contractor within 28 days from receiving the agreed documents provided by the contractor; 4) Construction and engineering installation, survey and design, system accessing engineering fee and payment for settlement of other expenses (excluding component, container inverter equipment, module brackets and step-up substation equipment): after completion and final settlement and execution of the completion settlement statement by both parties, up to 97% of settlement amount for the construction and installation works and equipment fees shall be paid by the principal to the contractor within 28 days from receiving the corresponding documents provided by the contractor.

(iii) Quality warranty deposit: For the major equipment (photovoltaic modules, brackets, compact substations, inverters and primary and secondary equipment of step-up substation), no quality warranty deposit shall be withheld. An on-demand bank quality guarantee letter equivalent to 5% of the final settlement amount of the major equipment shall be provided by the contractor to the principal. The validity period of the guarantee letter shall commence from the date of its issuance until 60 days after the expiration of the equipment quality warranty period. For other output value excluding major equipment (including the construction and installation works and other projects), a quality warranty deposit equivalent to 3% of the final completion settlement amount shall be withheld. The principal shall return the quality warranty deposit to the contractor upon 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 contractor shall, within 28 days after the contract becomes effective, provide a guarantee in the amount equivalent to the amount of 10% of the consideration to the principal by way of an on-demand letter of bank guarantee. The advance payment guarantee shall be returned to the contractor after the satisfactory completion inspection of the Project.

INFORMATION ON THE PARTIES

The Company and the Group

The Company 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 the Company is investment holding. The 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.

Wuxiang Beiqing Smart Energy

As at the date of this announcement, Wuxiang Beiqing Smart Energy is a company established in the PRC with limited liability, which is owned 95% by the Company indirectly and 5% by Shanxi Lisheng Consulting Co., Ltd.*(山西立晟諮詢事務有限公司), respectively. Shanxi Lisheng Consulting Co., Ltd.* (a company established in the PRC with limited liability) is held as to 97% by An Renwei and 3% by Wang Cui'e, respectively. Wuxiang Beiqing Smart Energy is principally engaged in the generation, transmission, and supply of electric power as well as provision of technical services in the wind power business. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, Shanxi Lisheng Consulting Co., Ltd.* and its ultimate beneficial owners are all Independent Third Parties.

CR 17th Bureau 2nd Engineering

As at the date of this announcement, CR 17th Bureau 2nd Engineering is a company incorporated in the PRC with limited liability, which is owned 99% by China Railway 17th Bureau Group Co., Ltd. ("**China Railway 17th Bureau**") and 1% by China Railway 17th Bureau Group Shanghai Equity Investment Management Co., Ltd.*(中鐵十七局集團上海股權投資管理有限公司)("**CR 17th Shanghai Equity Investment**"), respectively. CR 17th Shanghai Equity Investment is owned as to 100% by China Railway 17th Bureau. China Railway 17th Bureau is owned as to 100% by China Railway Construction Corporation Limited. China Railway Construction Corporation Limited is a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Stock Exchange (Stock Code: 01186) and A shares are listed on the Shanghai Stock Exchange (Stock Code: 601186). CR 17th Bureau 2nd Engineering is principally engaged in highway and waterway engineering test and inspection services; construction of landscaping projects; foreign contracting; engineering management services; technical services, etc. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, CR 17th Bureau 2nd Engineering and its ultimate beneficial owners are all Independent Third Parties.

SDHS Group

As at the date of this 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

The Group has consistently and deeply integrated itself into national strategic planning and the diversified development ecosystem established by SDHS Group. The 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 Group in the Shanxi market. This will not only help the 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 Group in future, strengthen the long-term competitiveness of the Group and enhance its earning capabilities.

In view of the above, the Board 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 Group's ordinary and usual course of business and are on normal commercial terms or better, and the terms of such transactions are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

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DEFINITIONS

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

"Board"	the board of directors of the Company
"Company"	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)
"CR 17th Bureau 2nd Engineering"	China Railway 17th Bureau 2nd Engineering Co., Ltd.* (中鐵十七局集團第二工程有限公司), a company incorporated in the PRC with limited liability
"Directors"	the directors of the Company
"EPC"	engineering, procurement and construction
"EPC Contract"	the EPC general contracting contract in relation to the 100MW photovoltaic project dated 22 December 2025 entered into by Wuxiang Beiqing Smart Energy and CR 17th Bureau 2nd Engineering for the Project
"Group"	the Company and its subsidiaries

"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	person(s) or company(ies) which is/are independent of any member of the Group, the Directors, the chief executives, the controlling shareholders, the substantial shareholders of the Company or its subsidiaries, and their respective associates
"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 announcement, excludes Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Project"	the 100MW photovoltaic power generation project in Wuxiang County, Changzhi City, Shanxi Province
"RMB"	Renminbi, the lawful currency of the PRC
"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 the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Wuxiang Beiqing Smart Energy"	Wuxiang Beiqing Electric Power Smart Energy Co., Ltd.* (武鄉北清電力智慧能源有限公司), a company incorporated in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company as at the date of this announcement

"%"	per cent

By Order of the Board
Shandong Hi-Speed New Energy Group Limited
Li Tianzhang
Chairman

Hong Kong, 22 December 2025

As at the date of this announcement, the 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.

* *For identification purposes only*