Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

SANY HEAVY EQUIPMENT INTERNATIONAL HOLDINGS COMPANY LIMITED

三一重裝國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 631)

CONTINUING CONNECTED TRANSACTION
2026 DEPOSIT SERVICES FRAMEWORK AGREEMENT

2026 DEPOSIT SERVICES FRAMEWORK AGREEMENT

In contemplation of the expiry of the 2024 Deposit Services Framework Agreement, on 15 January 2026, the Company entered into the 2026 Deposit Services Framework Agreement to enable the Group to continue placing deposits with Sanxiang Bank for a term from 31 January 2026 to 30 January 2029 (both days inclusive).

As at the date of this announcement, Mr. Liang Wengen is a controlling shareholder of the Company who is entitled to exercise or control the exercise of approximately 64.96% voting rights in the ordinary share capital of the Company and indirectly holds 479,781,034 Convertible Preference Shares which represent approximately 12.92% issued share capital of the Company (as enlarged) upon full conversion.

Sanxiang Bank is held by Sany Group as to 18% and Hunan Sany Intelligent as to 12%. Sany Group is held by Mr. Liang Wengen as to 56.735% and Hunan Sany Intelligent is a wholly-owned subsidiary of Sany Heavy Industry, which is in turn a non-wholly owned subsidiary of Sany Group. As such, Sanxiang Bank, being a 30%-controlled company of Mr. Liang Wengen, is an associate of Mr. Liang Wengen under Rule 14A.12(1)(c) and hence a connected person of the Company under the Listing Rules. Accordingly, the entering into of the 2026 Deposit Services Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios in respect of the proposed annual caps under the 2026 Deposit Services Framework Agreement exceeds 0.1% but all the applicable percentage ratios are less than 5%, the 2026 Deposit Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) are subject to the reporting, announcement and annual review requirements but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

2026 DEPOSIT SERVICES FRAMEWORK AGREEMENT

Reference is made to the announcement of the Company dated 31 January 2024 regarding, among others, the 2024 Deposit Services Framework Agreement. In contemplation of the expiry of the 2024 Deposit Services Framework Agreement, on 15 January 2026, the Company entered into the 2026 Deposit Services Framework Agreement with Sanxiang Bank for a term from 31 January 2026 to 30 January 2029 (both days inclusive).

The principal terms of the 2026 Deposit Services Framework Agreement are set out below:

Parties	(1) the Company; and (2) Sanxiang Bank
Agreement date	15 January 2026
Subject	Pursuant to the 2026 Deposit Services Framework Agreement, Sanxiang Bank agreed to provide deposit services to the Group on normal commercial terms. The parties shall, during the term of the 2026 Deposit Services Framework Agreement, enter into individual written agreements which set out the terms and provisions of the specific deposit services to be conducted in accordance with the principles and terms of the 2026 Deposit Services Framework Agreement.
Term	From 31 January 2026 to 30 January 2029 (both days inclusive)

Pricing policy

Pursuant to the 2026 Deposit Services Framework Agreement, the interest rates offered by Sanxiang Bank to the Group shall not be lower than (i) the interest rates in respect of the same type of deposit service quoted by the People's Bank of China for the same period; and (ii) the interest rates in respect of the same type of deposit service provided by major domestic commercial banks in the PRC to the Group for the same period, subject to compliance with the prevailing regulatory policy in the PRC.

Proposed annual caps for daily balance of deposits and interests derived thereof

The proposed annual caps in respect of the daily balance of deposits placed by the Group with Sanxiang Bank and the maximum interests derived thereof under the 2026 Deposit Services Framework Agreement are as follows:

	Year ending 31 December			
	2026	**2027**	**2028**	**2029**
	RMB	*RMB*	*RMB*	*RMB*
Annual cap for daily balance of deposits	750,000,000	750,000,000	750,000,000	750,000,000 *(Note)*
Annual cap for interests derived thereof	18,750,000	18,750,000	18,750,000	1,562,500 *(Note)*

Note: The annual cap for the year ending 31 December 2029 is set up to 30 January 2029, being the end date of the term of the 2026 Deposit Services Framework Agreement.

Basis of the proposed annual caps

In arriving at the proposed annual caps for the deposit services under the 2026 Deposit Services Framework Agreement, the Directors considered the following:

(i) the historical maximum daily balance of the deposits placed by the Group with Sanxiang Bank of RMB564,980,200 and the maximum annual interest of RMB14,202,600 derived thereof for the eleven months ended 30 November 2025;

(ii) the anticipated annual interest rate of not more than 2.5%, which was estimated with reference to the highest annual interest rate for the two years ended 31 December 2024 and eleven months ended 30 November 2025, and the prevailing market interest rates. The anticipated annual interest rate does not reflect the actual interest rate to be offered by Sanxiang Bank under the 2026 Deposit Services Framework Agreement. In any event, the specific interest rates for the deposit services under the 2026 Deposit Services Framework Agreement shall be agreed upon by the parties in accordance with the pricing policy set out above and the internal control measures of the Company; and

(iii) the Group's cash position and its working capital requirements.

INTERNAL CONTROL

The Company has adopted the following internal control measures with respect to the transactions contemplated under the 2026 Deposit Services Framework Agreement in order to better safeguard the interests of the Shareholders:

(i) the Company has adopted a treasury management policy for managing its cashflow and utilising surplus cash reserves;

(ii) before placing any new deposit with Sanxiang Bank, the finance department of the Group will obtain interest rates quoted by People's Bank of China and two major domestic commercial banks in the PRC. Such information together with the quote by Sanxiang Bank will be submitted to the chief financial officer of the Company for approval to ensure terms offered by Sanxiang Bank shall not be less favourable to the Group than terms offered by commercial banks who are Independent Third Parties;

(iii) the capital settlement accounting team will be responsible for monitoring the deposits placed with Sanxiang Bank and the interest income to ensure the annual caps will not be exceeded. When the transaction limit reaches 80% of the annual cap set under the 2026 Deposit Services Framework Agreement, he/she will promptly inform the chief financial officer such that the Group can arrange for a revision of the annual cap as appropriate, in compliance with all relevant requirements under Chapter 14A of the Listing Rules;

(iv) the internal audit department of the Group will conduct regular checks to review and assess whether the deposit services have been provided in accordance with the terms of the relevant agreements and on normal commercial terms; and

(v) the Company has engaged external auditors to conduct annual review of these continuing connected transactions.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2026 DEPOSIT SERVICES FRAMEWORK AGREEMENT

The Directors are of the view that the transactions under the 2026 Deposit Services Framework Agreement are beneficial to the Group for the following reasons:

(i) the Group has been placing deposits with Sanxiang Bank since 2017 and has established a good relationship with it over the years. Sanxiang Bank is familiar with the Group's operations, capital structure and working capital management, which may enable Sanxiang Bank to render more expedient, efficient and flexible deposit services to the Group than other commercial banks and independent financial institutions in the PRC. Taking into account the relationship of the Group with Sanxiang Bank, the Group can get a good understanding and update of the operation status of Sanxiang Bank in a timely manner, which will make the potential risks arising from such deposits more controllable for the Group than those provided by independent commercial banks and financial institutions; and

(ii) by entering into the 2026 Deposit Services Framework Agreement with Sanxiang Bank, the Group will have more flexibility to manage its assets more efficiently according to its working capital requirements. As the terms offered by Sanxiang Bank are no less favorable to the Group than terms offered by other PRC commercial banks for similar deposits, the Group is able to better utilize its temporarily idle funds to make effective investment and increase the Group's earnings.

Accordingly, the Directors (including the independent non-executive Directors) are of the view that the terms of the 2026 Deposit Services Framework Agreement are determined through arm's length negotiation on normal commercial terms or better, and the proposed transactions and annual caps thereunder are fair and reasonable, entered into in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

Since Sanxiang Bank is an associate of Mr. Liang Wengen, Mr. Liang Zaizhong, being the son of Mr. Liang Wengen, has abstained from voting on the Board resolution approving the 2026 Deposit Services Framework Agreement due to potential conflict of interests.

As Mr. Zhou Fugui, Mr. Tang Xiuguo and Mr. Xiang Wenbo also have interests in Sany Group, they have both abstained from voting on the Board resolutions approving the 2026 Deposit Services Framework Agreement.

Save as disclosed above, no Director has a material interest in the transactions contemplated under the 2026 Deposit Services Framework Agreement or has abstained from voting on the Board resolutions for considering and approving the same.

IMPLICATION UNDER THE LISTING RULES

As at the date of this announcement, Mr. Liang Wengen is a controlling shareholder of the Company who is entitled to exercise or control the exercise of approximately 64.96% voting rights in the ordinary share capital of the Company and indirectly holds 479,781,034 Convertible Preference Shares which represent approximately 12.92% issued share capital of the Company (as enlarged) upon full conversion.

Sanxiang Bank is held by Sany Group as to 18% and Hunan Sany Intelligent as to 12%. Sany Group is held by Mr. Liang Wengen as to 56.735% and Hunan Sany Intelligent is a wholly-owned subsidiary of Sany Heavy Industry, which is in turn a non-wholly owned subsidiary of Sany Group. As such, Sanxiang Bank, being a 30%-controlled company of Mr. Liang Wengen, is an associate of Mr. Liang Wengen under Rule 14A.12(1)(c) and hence a connected person of the Company under the Listing Rules. Accordingly, the entering into of the 2026 Deposit Services Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios in respect of the proposed annual caps under the 2026 Deposit Services Framework Agreement exceeds 0.1% but all the applicable percentage ratios are less than 5%, the 2026 Deposit Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) are subject to the reporting, announcement and annual review requirements but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

INFORMATION ON THE COMPANY

The Company is an investment holding company and its subsidiaries are principally engaged in the design, manufacture and sales of mining equipment, logistics equipment, oil and gas equipment and emerging industry equipment products and spare parts and the provision of related services.

INFORMATION ON SANXIANG BANK

Sanxiang Bank is a commercial bank principally engaged in banking services in the PRC.

As at the date of this announcement, based on the information available to the Company, Sanxiang Bank is held by Sany Group as to 18.0%, Hunan Hansen Pharmaceutical as to 15.0%, Hunan Sany Intelligent as to 12.0%, Hunan Zhongxin as to 9.8%, Hunan Tongfa as to 9.8%, Hunan Anpei as to 9.8%, Hunan Anxin as to 8.3%, Changsha Chenghai as to 7.0%, Hunan Bahuan as to 5.2% and Changsha Jiasitong as to 5.1%.

Sany Group is held by Mr. Liang Wengen as to approximately 56.735%, Mr. Tang Xiuguo (唐修國) as to 8.75%, Mr. Xiang Wenbo (向文波) as to 8.0%, Mr. Mao Zhongwu (毛中吾) as to 8.0%, Mr. Yuan Jinhua (袁金華) as to 4.75%, Mr. Zhou Fugui (周福貴) as to 3.5%, Ms. Wang Haiyan (王海燕) as to 3.0%, Mr. Yi Xiaogang (易小剛) as to 3.0% and other 7 individuals as to approximately 4.265% who are Independent Third Parties and none of whom held more than 1% equity interests in Sany Group.

Hunan Hansen Pharmaceutical is a company listed on the Shenzhen Stock Exchange (stock code: 002412).

Hunan Sany Intelligent is a wholly-owned subsidiary of Sany Heavy Industry, which is in turn a non-wholly owned subsidiary of Sany Group.

Hunan Zhongxin is held by Wang Zechu (王澤楚) as to 58% and Yaochu Wang as to 42%.

Hunan Tongfa is held by Li Shihong (李世紅) as to approximately 60.47% and Li Pengcheng (李鵬程) as to approximately 39.53%.

Hunan Anpei is held by Chen Long (陳隆) as to approximately 49.41%, Zhou Hui (周惠) as to approximately 48.58% and Yan Ping (嚴萍) as to approximately 2.01%.

Hunan Anxin is held by Qiu Zhiwei (邱志偉) as to 95% and Liu Yanping (劉豔萍) as to 5%.

Changsha Chenghai is held by Tan Chengjing (譚澄靖) as to 40.0%, as to Tan Zhen (譚震) as to 40.0% and Cheng Yinhua (程銀華) as to 20.0%.

Hunan Bahuan is a wholly owned subsidiary of Hunan Tongfa.

Changsha Jiasitong is wholly owned by Jiang Xixi (江曦曦).

DEFINITIONS

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

"2024 Deposit Services Framework Agreement"	the deposit services framework agreement dated 31 January 2024 entered into by and between the Company and Sanxiang Bank, pursuant to which Sanxiang Bank agreed to provide deposit services to the Group from 31 January 2024 to 30 January 2026
"2026 Deposit Services Framework Agreement"	the deposit services framework agreement dated 15 January 2026 entered into by and between the Company and Sanxiang Bank, pursuant to which Sanxiang Bank agreed to provide deposit services to the Group from 31 January 2026 to 30 January 2029
"30%-controlled company"	has the meaning ascribed to it under the Listing Rules
"associate"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Changsha Chenghai"	Changsha Chenghai Industry Co., Ltd.* (長沙澄海實業有限公司), a company with limited liability established under the laws of the PRC
"Changsha Jiasitong"	Changsha Jiasitong Energy Technology Co., Ltd.* (長沙嘉斯通能源科技有限公司), a company with limited liability established under the laws of the PRC
"Company"	Sany Heavy Equipment International Holdings Company Limited (三一重裝國際控股有限公司), a company incorporated with limited liability on 23 July 2009 under the laws of the Cayman Islands and the Shares of which are listed on the Stock Exchange (stock code: 631)
"connected person"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Convertible Preference Shares"	the limited-voting convertible preference shares of the Company
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries

"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hunan Anpei"	Hunan Anpei Power Live Working Co., Ltd.* (湖南安培電力帶電作業有限公司), a company with limited liability established under the laws of the PRC
"Hunan Anxin"	Hunan Anxin Logistics Co., Ltd.* (湖南安鑫物流有限公司), a company with limited liability established under the laws of the PRC
"Hunan Bahuan"	Hunan Bahuan Construction Engineering Co., Ltd.* (湖南省八環建築工程有限公司), a company with limited liability established under the laws of the PRC
"Hunan Hansen Pharmaceutical"	Hunan Hansen Pharmaceutical Co., Ltd.* (湖南漢森製藥股份有限公司), a company with limited liability established under the laws of the PRC, listed on the Shenzhen Stock Exchange (stock code: 002412)
"Hunan Sany Intelligent"	Hunan Sany Intelligent Controls Equipment Co., Ltd.* (湖南三一智能控制設備有限公司), a company established under the laws of the PRC and a wholly-owned subsidiary of Sany Heavy Industry
"Hunan Tongfa"	Hunan Tongfa Investment Co., Ltd.* (湖南同發投資有限公司), a company with limited liability established under the laws of the PRC
"Hunan Zhongxin"	Hunan Zhongxin Real Estate Development Co., Ltd.* (湖南省中欣房地產開發集團有限公司), a company with limited liability established under the laws of the PRC
"Independent Shareholders"	the Shareholders who are not interested in or involved in the 2026 Deposit Services Framework Agreement and the transactions contemplated thereunder
"Independent Third Party(ies)"	an individual(s) or a company(ies) who or which is/are independent of and not connected with (within the meaning of the Listing Rules) any Director, chief executive or substantial shareholders (within the meaning of the Listing Rules) of the Company, its subsidiaries or any of their respective associates
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

"PRC"	the People's Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macao Special Administrative Region of the People's Republic of China and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Sanxiang Bank"	Hunan Sanxiang Bank Co., Ltd.* (湖南三湘銀行股份有限公司), a regulated financial institution established under the laws of the PRC
"Sany Group"	Sany Group Limited* (三一集團有限公司), a company with limited liability established on 18 October 2000 under the laws of the PRC
"Sany Heavy Industry"	Sany Heavy Industry Co., Limited* (三一重工股份有限公司), a company with limited liability established on 22 November 1994 under the laws of the PRC, listed on the Stock Exchange (stock code: 6031) and Shanghai Stock Exchange (stock code: 600031) and a subsidiary of Sany Group
"Share(s)"	the ordinary share(s) with nominal value of HK$0.1 each in the capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"%"	per cent

By the order of the Board
Sany Heavy Equipment International Holdings Company Limited
Zhou Fugui
Chairman

Hong Kong, 15 January 2026

As at the date of this announcement, the executive Directors are Mr. Zhou Fugui, Mr. Liang Zaizhong, and Mr. Fu Weizhong, the non-executive Directors are Mr. Tang Xiuguo and Mr. Xiang Wenbo, and the independent non-executive Directors are, Mr. Poon Chiu Kwok, Mr. Hu Jiquan, Mr. Yang Shuyong and Ms. Zhou Lan.

* *for identification purpose only*