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SHUANGDENG GROUP CO., LTD.
雙登集團股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 06960)

ANNOUNCEMENT
CONTINUING CONNECTED TRANSACTIONS –

IN RELATION TO REVISION OF ANNUAL CAPS FOR SHUANGDENG CABLE FRAMEWORK PURCHASE AGREEMENT; REVISION OF ANNUAL CAPS FOR JIANGSU FUSHANDA FRAMEWORK PURCHASE AGREEMENT; AND ENTERING INTO OF JIANGSU WEILI FRAMEWORK PURCHASE AGREEMENT

I. BACKGROUND

SHUANGDENG CABLE FRAMEWORK PURCHASE AGREEMENT AND JIANGSU FUSHANDA FRAMEWORK PURCHASE AGREEMENT

(1) THE SHUANGDENG CABLE FRAMEWORK PURCHASE AGREEMENT EXCEEDS THE 2025 ANNUAL CAP

Reference is made to the prospectus of SHUANGDENG GROUP CO., LTD. (the "**Company**") published on 18 August 2025, in relation to (i) the Shuangdeng Cable Framework Purchase Agreement entered into between the Group and Shuangdeng Cable; and (ii) the Jiangsu Fushanda Framework Purchase Agreement entered into between the Group and Jiangsu Fushanda.

As disclosed in the prospectus, on 15 August 2025, the Group entered into the framework purchase agreement with Shuangdeng Cable to govern the terms and conditions of transactions between the Group on one hand and Shuangdeng Cable on the other hand in connection with the provision of cables. Pursuant to the Shuangdeng Cable Framework Purchase Agreement, Shuangdeng Cable has agreed to provide cables to the Group according to the purchase agreements entered into between the Group and Shuangdeng Cable from time to time. The Shuangdeng Cable Framework Purchase Agreement became effective upon the listing of the Company and will remain in force until 31 December 2027, renewable by mutual agreement of the parties, subject to compliance with the requirement under Chapter 14A of the Listing Rules and all other applicable laws and regulations. The annual caps for the transactions under the Shuangdeng Cable Framework Purchase Agreement for each of the three years ended 31 December 2025, 2026 and 2027 are RMB0.95 million, RMB0.998 million and RMB1.048 million, respectively.

On 15 August 2025, the Group entered into the framework purchase agreement with Jiangsu Fushanda to govern the terms and conditions of the transactions between the Group on one hand and Jiangsu Fushanda on the other hand in connection with the provision of raw materials. Pursuant to the Jiangsu Fushanda Framework Purchase Agreement, Jiangsu Fushanda has agreed to provide raw materials, including inter cell connectors to the Group according to the purchase agreements or orders entered into between the Group and Jiangsu Fushanda from time to time. The Jiangsu Fushanda Framework Purchase Agreement became effective upon the listing of the Company and will remain in force until 31 December 2027, renewable by mutual agreement of the parties, subject to compliance with the requirement under Chapter 14A of the Listing Rules and all other applicable laws and regulations. The annual caps for the transactions under the Jiangsu Fushanda Framework Purchase Agreement for each of the three years ended 31 December 2025, 2026 and 2027 are RMB25.2 million, RMB26.5 million and RMB27.8 million, respectively.

As at the date of this announcement, Jiangsu Fushanda is wholly owned by Shuangdeng Cable, while Shuangdeng Cable is owned as to 90% by Jiangsu Haifu Investment Co., Ltd. (which is in turn owned as to 51% by Dr. Yang Rui, an executive Director and the chairman of the Board). Accordingly, Shuangdeng Cable and Jiangsu Fushanda are associates of Dr. Yang Rui and hence connected persons of the Company under the Listing Rules. The transactions under the Shuangdeng Cable Framework Purchase Agreement and the Jiangsu Fushanda Framework Purchase Agreement (collectively, the "**Connected Supplier's Agreements**") have been aggregated pursuant to Rule 14A.81 of the Listing Rules. For each of the three years ended 31 December 2025, 2026 and 2027, the total annual caps under the Connected Supplier's Agreements will be RMB26.15 million, RMB27.50 million and RMB28.85 million, respectively.

At the time of the listing of the Company's H shares on the Stock Exchange in August 2025, the Stock Exchange had granted a waiver to the Company from (among others) strict compliance with the announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions entered into between the Group and Shuangdeng Cable and Jiangsu Fushanda respectively. Pursuant to such waiver, the transactions contemplated under the Shuangdeng Cable Framework Purchase Agreement and the Jiangsu Fushanda Framework Purchase Agreement are subject to the annual caps for the year ended 31 December 2025, and for the years ended 31 December 2026 and 2027, respectively.

In March 2026, in preparing the Company's annual results for the year ended 31 December 2025 and reviewing the Company's continuing connected transactions, the Company noted that the actual transaction amount for the continuing connected transactions conducted under the Shuangdeng Cable Framework Purchase Agreement for the year ended 31 December 2025 amounted to approximately RMB1.02 million, exceeding the 2025 annual cap of RMB0.95 million by approximately RMB70,000. However, on an aggregated basis, the actual transaction amount for the year 2025 under the Connected Supplier's Agreements was RMB25.86 million, which did not exceed the aggregate annual cap of RMB26.15 million for 2025. Due to the Group's business expansion in 2025, and to meet the Group's business needs, the Group increased the quantity of cables it purchased from Shuangdeng Cable, resulting in exceeding the 2025 annual cap.

Pursuant to Rule 14A.54(1) of the Listing Rules, the Company has to re-comply with the announcement requirement under Chapter 14A of the Listing Rules before the annual cap is exceeded. The Company's delay in publishing an announcement prior to exceeding the 2025 annual cap constituted a breach of Rule 14A.54(1) of the Listing Rules. The delay was due to the faster-than-expected pace of the Group's business expansion during 2025 and inadvertent oversight of the Company in monitoring the transaction amounts incurred under the continuing connected transactions. This oversight was not discovered until during the course of preparing the annual results of the Company for the year ended 31 December 2025. The Company has taken steps to rectify the breach as soon as practicable by way of this announcement.

(2) REVISION OF THE ANNUAL CAPS FOR 2026 AND 2027 OF SHUANGDENG CABLE FRAMEWORK PURCHASE AGREEMENT AND JIANGSU FUSHANDA FRAMEWORK PURCHASE AGREEMENT

As the Group's business continues to develop, based on internal estimates of demand and the Group's operational status, the Board considers that the existing annual caps for the continuing connected transactions under the Shuangdeng Cable Framework Purchase Agreement and the Jiangsu Fushanda Framework Purchase Agreement for the years 2026 and 2027 will be insufficient to meet the operational needs of the Group, Shuangdeng Cable and Jiangsu Fushanda for the years ended 31 December 2026 and 2027. Therefore, as at the date of this announcement, the Company entered into a supplemental agreement to the Shuangdeng Cable Framework Purchase Agreement with Shuangdeng Cable to revise the annual caps under the Shuangdeng Cable Framework Purchase Agreement for the years ended 31 December 2026 and 2027, respectively, to satisfy the Group's increased business demand with Shuangdeng Cable and Jiangsu Fushanda for the years ended 31 December 2026 and 2027.

As at the date of this announcement, Jiangsu Fushanda is wholly owned by Shuangdeng Cable, while Shuangdeng Cable is owned as to 90% by Jiangsu Haifu Investment Co., Ltd. (which is in turn owned as to 51% by Dr. Yang Rui, an executive Director and the chairman of the Board). Accordingly, Shuangdeng Cable and Jiangsu Fushanda are associates of Dr. Yang Rui and therefore connected persons of the Company under the Listing Rules. Therefore, the transactions under the above Connected Supplier's Agreements have been aggregated pursuant to Rule 14A.81 of the Listing Rules. For each of the two years ended 31 December 2026 and 2027, the revised total annual caps under the Connected Supplier's Agreements will be RMB70.00 million and RMB110.00 million, respectively. Accordingly, as the applicable percentage ratios (other than the profits ratio) in respect of the annual caps for the transactions contemplated under the Connected Supplier's Agreements, on an individual and aggregate basis, exceed 0.1% but are all less than 5% pursuant to Chapter 14A of the Listing Rules, such transactions are only subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but are exempt from the circular (including obtaining advice from the independent financial advisor) and Independent Shareholders' approval requirements pursuant to Rule 14A.76(2)(a) of the Listing Rules.

ENTERING INTO JIANGSU WEILI FRAMEWORK PURCHASE AGREEMENT

On 25 March 2026, based on the development and requirements of the Company's AIDC intelligent computing center energy storage, the Group entered into the Jiangsu Weili Framework Purchase Agreement with Jiangsu Weili to regulate the terms and conditions regarding the transactions of raw material provision, product sales, processing services, and warehousing logistics between the Group (as one party) and Jiangsu Weili (as the other party). Pursuant to the Jiangsu Weili Framework Purchase Agreement, Jiangsu Weili agreed to provide raw materials (primarily lithium iron phosphate) to the Group in accordance with the purchase agreements or orders entered into between the Group and Jiangsu Weili from time to time.

As at the date of this announcement, 33.6227% of the shares in Jiangsu Weili are held by Lin Yang, who is its ultimate beneficial owner. As Lin Yang is a cousin of Dr. Yang Rui, Jiangsu Weili is therefore a connected person of the Company under the Listing Rules, and the transactions between the Group and Jiangsu Weili constitute connected transactions. As the applicable percentage ratios (other than the profits ratio) in respect of the annual caps for the transactions contemplated under the Jiangsu Weili Framework Purchase Agreement, on an individual and aggregate basis, exceed 0.1% but are all less than 5% pursuant to Chapter 14A of the Listing Rules, such transactions are only subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but are exempt from the circular (including obtaining advice from the independent financial advisor) and Independent Shareholders' approval requirements pursuant to Rule 14A.76(2)(a) of the Listing Rules.

I. SHUANGDENG CABLE FRAMEWORK PURCHASE AGREEMENT AND JIANGSU FUSHANDA FRAMEWORK PURCHASE AGREEMENT

BACKGROUND

Reference is made to the prospectus of the Company published on 18 August 2025, in relation to (i) the Shuangdeng Cable Framework Purchase Agreement entered into between the Group and Shuangdeng Cable; and (ii) the Jiangsu Fushanda Framework Purchase Agreement entered into between the Group and Jiangsu Fushanda.

As disclosed in the prospectus, on 15 August 2025, the Group entered into the Shuangdeng Cable Framework Purchase Agreement with Shuangdeng Cable to govern the terms and conditions of transactions between the Group on one hand and Shuangdeng Cable on the other hand in connection with the provision of cables. Pursuant to the Shuangdeng Cable Framework Purchase Agreement, Shuangdeng Cable has agreed to provide cables to the Group according to the purchase agreements entered into between the Group and Shuangdeng Cable from time to time. The Shuangdeng Cable Framework Purchase Agreement became effective upon the listing of the Company and will remain in force until 31 December 2027, renewable by mutual agreement of the parties, subject to compliance with the requirement under Chapter 14A of the Listing Rules and all other applicable laws and regulations. The annual caps for the transactions under the Shuangdeng Cable Framework Purchase Agreement for each of the three years ended 31 December 2025, 2026 and 2027 are RMB0.95 million, RMB0.998 million and RMB1.048 million, respectively.

On 15 August 2025, the Group entered into Jiangsu Fushanda Framework Purchase Agreement with Jiangsu Fushanda to govern the terms and conditions of the transactions between the Group on one hand and Jiangsu Fushanda on the other hand in connection with the provision of raw materials. Pursuant to the Jiangsu Fushanda Framework Purchase Agreement, Jiangsu Fushanda has agreed to provide raw materials, including inter cell connectors to the Group according to the purchase agreements or orders to be entered into by the Group with Jiangsu Fushanda from time to time. The Jiangsu Fushanda Framework Purchase Agreement became effective upon the listing of the Company and will remain in force until 31 December 2027, renewable by mutual agreement of the parties, subject to compliance with the requirement under Chapter 14A of the Listing Rules and all other applicable laws and regulations. The annual caps for the transactions under the Jiangsu Fushanda Framework Purchase Agreement for each of the three years ended 31 December 2025, 2026 and 2027 are RMB25.2 million, RMB26.5 million and RMB27.8 million, respectively.

As at the date of this announcement, Since Shuangdeng Cable and Jiangsu Fushanda are all associates of Dr. Yang Rui, they are connected persons of the Company under the Listing Rules. Accordingly, the transactions under the above Connected Supplier's Agreements have been aggregated pursuant to Rule 14A.81 of the Listing Rules. The aggregate annual caps under the Connected Supplier's Agreements for each of the three years ended 31 December 2025, 2026 and 2027 will be RMB26.15 million, RMB27.50 million and RMB28.85 million, respectively.

THE SHUANGDENG CABLE FRAMEWORK PURCHASE AGREEMENT EXCEEDS THE 2025 ANNUAL CAP

In March 2026, in preparing the Company's annual results for the year ended 31 December 2025 and reviewing the Company's continuing connected transactions, the Company noted that the actual transaction amount for the continuing connected transactions conducted under the Shuangdeng Cable Framework Purchase Agreement for the year ended 31 December 2025 amounted to approximately RMB1.02 million, exceeding the 2025 annual cap of RMB950,000 by approximately RMB70,000. However, on an aggregated basis, the actual transaction amount for the year 2025 under the Connected Supplier's Agreements was RMB25.86 million, which did not exceed the aggregate annual cap of RMB26.15 million for 2025. Due to the Group's business expansion in 2025, and to meet the Group's business needs, the Group increased the quantity of cables it purchased from Shuangdeng Cable, resulting in exceeding the 2025 annual cap.

Pursuant to Rule 14A.54(1) of the Listing Rules, the Company has to re-comply with the announcement requirement under Chapter 14A of the Listing Rules before the annual cap is exceeded. The Company's delay in publishing an announcement prior to exceeding the 2025 annual cap constituted a breach of Rule 14A.54(1) of the Listing Rules. The delay was due to the faster-than-expected pace of the Group's business expansion during 2025 and inadvertent oversight of the Company in monitoring the transaction amounts incurred under the continuing connected transactions. This oversight was not discovered until during the course of preparing the annual results of the Company for the year ended 31 December 2025. The Company has taken steps to rectify the breach as soon as practicable by way of this announcement.

REVISION OF THE ANNUAL CAPS FOR 2026 AND 2027 OF SHUANGDENG CABLE FRAMEWORK PURCHASE AGREEMENT

As disclosed in the prospectus, the historical annual caps for the continuing connected transactions contemplated under the Shuangdeng Cable Framework Purchase Agreement were determined after arm's length negotiation between the parties with reference to the following factors:

(a) the Group's estimation on the demand for the relevant cables with reference to our estimated expansion on our production capacity;

(b) the historical purchase amounts paid to Shuangdeng Cable by the Group for purchasing raw materials during the Track Record Period; and

(c) a reasonable increment of the purchase price payable to Shuangdeng Cable taking into account the expected inflation rate and increases in costs for the three years ended 31 December 2027, in particular, the annual cap for the years of 2025, 2026 and 2027 were determined with reference to the transaction amount with Shuangdeng Cable already incurred in 2024 with 5% increase in each year.

Given that the annual cap for 2025 has been exceeded, and taking into account the Group's need to invest in new production capacity over the next two years, as at the date of this announcement, the Company entered into a supplemental agreement to the Shuangdeng Cable Framework Purchase Agreement with Shuangdeng Cable to revise the annual caps for the years ended 31 December 2026 and 2027 under the Shuangdeng Cable Framework Purchase Agreement.

The table below sets out (i) the actual transaction amount for the year ended 2025; (ii) the original annual caps for the years ended 31 December 2026 and 2027 under the Shuangdeng Cable Framework Purchase Agreement; and (iii) the revised annual caps:

As of 31 December 2025	As of 31 December 2026		As of 31 December 2027	
Actual Transaction Amount	**Original Annual Cap**	**Revised Annual Cap**	**Original Annual Cap**	**Revised Annual Cap**
(RMB in millions)	*(RMB in millions)*		*(RMB in millions)*	
1.02	0.998	10.00	1.048	30.00

The primary reasons for the increase in the annual cap under the Shuangdeng Cable Framework Purchase Agreement are as follows: (1) The cables procured by the Group from Shuangdeng Cable are used for the construction of infrastructure such as factories and buildings. As disclosed in the prospectus, the Group has the following expansion plans for 2026 and 2027: construction of a new 2.8 GWh high-rate lithium battery cell plant in Taizhou, Jiangsu; establishment of a lithium-ion battery production base in Southeast Asia; and the Company plans to invest in the construction of a large-capacity lithium battery cell manufacturing plant. Upon completion of these new production facilities, the Company expects its total production capacity to grow by more than 50%; (2) as disclosed in the prospectus, the Group plans to establish its global research and development headquarters in Taizhou, Jiangsu. Consequently, the Group anticipates an increase in engineering projects in 2026 and 2027, leading to higher demand for key infrastructure materials, i.e. cables, and thereby an overall increase in the Group's demand for cables from Shuangdeng Cable.

Notwithstanding the revision of the original annual caps for the years ended 31 December 2026 and 2027 under the Shuangdeng Cable Framework Purchase Agreement, all other terms and conditions of the agreement remain unchanged. The Directors (including the executive directors, non-executive directors and independent non-executive directors) consider that the relevant transactions have been and will continue to be conducted in the ordinary and usual course of business of the Group on an arm's length basis, the terms of the Shuangdeng Cable Framework Purchase Agreement have been determined on an arm's length basis and on normal commercial terms, and the revised annual caps are fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole.

REVISION OF THE ANNUAL CAPS FOR 2026 AND 2027 OF JIANGSU FUSHANDA FRAMEWORK PURCHASE AGREEMENT

As disclosed in the prospectus, the historical annual caps for the continuing connected transactions contemplated under the Jiangsu Fushanda Framework Purchase Agreement were determined after arm's length negotiation between the parties with reference to the following factors:

(a) the Group's estimation on the demand for the relevant raw materials with reference to our estimated sales development and sales volume;

(b) the historical purchase amounts paid to Jiangsu Fushanda by the Group for purchasing raw materials during the Track Record Period; and

(c) a reasonable increment of the purchase price payable to Jiangsu Fushanda taking into account the expected inflation rate and increases in costs for the three years ended 31 December 2027, in particular, the annual cap for the years of 2025, 2026 and 2027 were determined with reference to the transaction amount with Jiangsu Fushanda already incurred in 2024 with 5% increase in each year.

Taking into account the rapid development of the Group's battery cell production business in 2025 and the expected increase in demand for battery cell connection cables, as at the date of this announcement, the Company entered into a supplemental agreement to the Jiangsu Fushanda Framework Purchase Agreement with Jiangsu Fushanda to revise the annual caps for the years ended 31 December 2026 and 2027 under the Jiangsu Fushanda Framework Purchase Agreement.

The table below sets out (i) the actual transaction amount for the year ended 2025; (ii) the original annual caps for the years ended 31 December 2026 and 2027 under the Jiangsu Fushanda Framework Purchase Agreement; and (iii) the revised annual caps:

As of 31 December 2025	As of 31 December 2026		As of 31 December 2027	
Actual Transaction Amount	**Original Annual Cap**	**Revised Annual Cap**	**Original Annual Cap**	**Revised Annual Cap**
(RMB in millions)	*(RMB in millions)*		*(RMB in millions)*	
24.84	26.50	60.00	27.80	80.00

The primary reasons for the increase in the annual cap under the Jiangsu Fushanda Framework Purchase Agreement are as follows: (1) the Group originally procured battery connection cables from Fushanda, which are used to connect batteries in the AIDC data center energy storage system. As shipments of the Group's AIDC data center energy storage systems are expected to continuously increase in 2026, while the sales of AIDC smart computing center energy storage lithium-ion battery products increased by 593% year-on-year and the sales of energy storage lithium-ion battery products grew by 376% year-on-year during 2025. Therefore, the volume of connection cables procured is also expected to rise significantly; (2) the Group plans to begin purchasing copper bar connectors from Jiangsu Fushanda. These connectors are used to connect batteries in lead-acid energy storage systems, the additional demand for copper bars will result in a significant increase in the Group's total procurement amount from Jiangsu Fushanda.; and (3) the rising metal prices have led to an increase (increased by 35% throughout the year of 2025) in the total procurement amount since the cables and copper bars are made of metal.

Notwithstanding the revision of the original annual caps for the years ended 31 December 2026 and 2027 under the Jiangsu Fushanda Framework Purchase Agreement, all other terms and conditions of the agreement remain unchanged. The Directors (including the executive directors, non-executive directors and independent non-executive directors) consider that the relevant transactions have been and will continue to be conducted in the ordinary and usual course of business of the Group on an arm's length basis, the terms of the Jiangsu Fushanda Framework Purchase Agreement have been determined on an arm's length basis and on normal commercial terms, and the revised annual caps are fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole.

REASONS FOR THE TRANSACTION

We have continued procurement relationships with the Connected Suppliers primarily because the above-mentioned suppliers are all located in Taizhou, with lower transportation costs and faster response to the Group's needs. Related transactions were obtained through independent tendering processes. In addition, Dr. Yang Rui's relationships as well as the relatively long history of business relationships lead to greater mutual trust. The Company believes that it is in the interest of the Group and the shareholders as a whole to carry out connected transactions with the Connected Suppliers based on the following factors: (a) each Connected Supplier has a well-established quality control system and research and development capability to meet the Group's requirements; (b) the supply channel of each Connected Supplier allows it to meet our increase in demand in the case that the Group plans to expand production lines; (c) each Connected Supplier provides high quality after-sales and maintenance services to ensure quality of products provided to us; (d) the Group has established a stable cooperative relationship with each Connected Supplier, on the basis of which the relevant supplier has provided us with a steady and reliable supply of high quality products in accordance with the Group's specifications; and (e) the prices and terms of services offered by the Connected Suppliers have been no less favorable than those offered by Independent Third Parties.

MANAGEMENT SYSTEM FOR TRANSACTIONS UNDER CONNECTED SUPPLIER'S AGREEMENTS

The Company has established the following management system to ensure that the terms of transactions under the Connected Supplier's Agreements are on normal commercial terms and no more favorable to the counterparties than terms available to Independent Third Parties:

- If a comparable market price is available, the Group shall compare the proposed product price or service fee with the market price and take into account the market price of copper and steel to ensure that the proposed product price or service fee will not be higher than the selling price of product or service of a similar type or nature provided by independent third-party suppliers or providers; before selecting a product supplier or services provider, the Group's procurement department shall obtain price quotations from certain independent third-party suppliers or providers. The factors to be considered by the Group in conducting internal assessments include price, quality, exclusivity of product or service, and value added to the Group;

- If no comparable market price is available, the Group's procurement department shall conduct arm's length negotiation with the relevant connected persons to determine the terms in line with the relevant pricing policies based on trade cost of the product involved or value of the relevant service and the actual costs and expenses incurred;

- After arm's length negotiation with the connected person, the Group's procurement department will report to the Group's senior management who will approve individual transactions as appropriate;

- The Group's internal audit department will regularly collect and monitor the transaction amount of continuing connected transactions to ensure timely assessment on whether the annual caps are exceeded; and

- The Group's independent non-executive Directors will also conduct annual review on such continuing connected transactions to ensure that such transactions have been entered into on normal commercial terms, are fair and reasonable and conducted according to the terms of the relevant framework agreement. The auditor of the Group will also conduct annual review on the pricing and annual cap of such continuing connected transactions.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Jiangsu Fushanda is wholly owned by Shuangdeng Cable, while Shuangdeng Cable is owned as to 90% by Jiangsu Haifu Investment Co., Ltd. (which is in turn owned as to 51% by Dr. Yang Rui, an executive Director and the chairman of the Board). Accordingly, Shuangdeng Cable and Jiangsu Fushanda are associates of Dr. Yang Rui and therefore connected persons of the Company under the Listing Rules. Therefore, the transactions under the above Connected Supplier's Agreements have been aggregated pursuant to Rule 14A.81 of the Listing Rules. For each of the two years ended 31 December 2026 and 2027, the revised total annual caps under the Connected Supplier's Agreements will be RMB70.00 million and RMB110.00 million, respectively.

Accordingly, as the applicable percentage ratios (other than the profits ratio) in respect of the annual caps for the transactions contemplated under the Connected Supplier's Agreements, on an individual and aggregate basis, exceed 0.1% but are all less than 5% pursuant to Chapter 14A of the Listing Rules, such transactions are only subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but are exempt from the circular (including obtaining advice from the independent financial advisor) and Independent Shareholders' approval requirements pursuant to Rule 14A.76(2)(a) of the Listing Rules.

ENHANCED INTERNAL CONTROL MEASURES ADOPTED BY THE COMPANY

To avoid the recurrence of similar incidents in the future and to ensure future compliance with the applicable requirements of the Listing Rules, the Company has implemented the following measures to further strengthen its internal monitoring procedures:

(a) strengthening the supervision of the actual transaction amounts of continuing connected transactions, and arranging designated personnel to conduct strict monthly monitoring. If the actual transaction amount at any time during the year reaches 70% or more of the relevant annual cap, the designated personnel must immediately report to the Board, and the Board will then consider taking appropriate actions in accordance with the Listing Rules, including but not limited to publishing an announcement and seeking Shareholders' approval in respect of the increase in the annual cap (if applicable); if the actual transaction amount at any time during the year reaches 80% or more (and every additional 5 percentage points thereafter) of the relevant annual cap, in addition to immediate reporting to the Board, the designated personnel should closely track the actual transaction amount of the continuing connected transactions on a weekly basis; if the actual transaction amount reaches 90% or more of the relevant annual cap, the monitoring frequency must be increased to once every other day; and

(b) arranging relevant training for the Directors, senior management and employees of the Group to enhance their understanding of the Listing Rules and raise their awareness of the importance of compliance with the Listing Rules. The training covers core provisions of the Listing Rules such as continuing connected transactions, identification of connected persons, approval processes, information disclosure, and annual cap reporting. For Directors and members of the audit committee, training focuses on regulatory responsibilities, deliberation and decision-making processes, and due diligence requirements under the Listing Rules; for finance and compliance personnel, training focuses on transaction identification, amount calculation, ledger management and early warning processes; for business personnel, training focuses on prior reporting of connected transactions and compliant operational standards. Specific assessments will be organized after the training to ensure relevant personnel fully grasp the compliance requirements.

The Directors believe that the above enhanced internal monitoring measures will help strengthen the Company's internal monitoring procedures and effectively prevent the recurrence of similar non-compliance incidents. The Board also pointed out that the exceeding of the 2025 annual cap for the Shuangdeng Cable Framework Purchase Agreement was merely an isolated incident and not a systemic issue, which had no material adverse impact on the Company's business and operations, and it did not cause significant financial impact on the Company. Through the implementation of the above procedures and internal monitoring measures, the Directors consider that the Group has established sufficient internal monitoring arrangements to ensure that the terms of the transactions under the Connected Supplier's Agreements are in line with market conditions and on normal commercial terms, and are fair and reasonable and in the interests of the Group and the Shareholders of the Company as a whole.

II. ENTERING INTO JIANGSU WEILI FRAMEWORK PURCHASE AGREEMENT

BACKGROUND

On 25 March 2026, based on the business development and requirements of the Company's AIDC smart computing center energy storage, the Group entered into the Jiangsu Weili Framework Purchase Agreement with Jiangsu Weili to regulate the terms and conditions regarding the transactions of raw material provision, product sales, processing services, and warehousing logistics between the Group (as one party) and Jiangsu Weili (as the other party). Pursuant to the Jiangsu Weili Framework Purchase Agreement, Jiangsu Weili agreed to provide raw material product sales (primarily lithium iron phosphate), processing services, and warehousing logistics services to the Group in accordance with the purchase agreements or orders entered into between the Group and Jiangsu Weili from time to time.

PRINCIPAL TERMS

Parties:

(1) The Company; and

(2) Jiangsu Weili

Transaction information:

Pursuant to the Jiangsu Weili Framework Purchase Agreement, the transactions between the Group (as one party) and Jiangsu Weili (as the other party) will include, but are not limited to, raw material purchase (including lithium iron phosphate), product sales, processing services, and warehousing logistics services. Subject to the Jiangsu Weili Framework Purchase Agreement, both parties (including subsidiaries of Jiangsu Weili) may enter into independent written contracts and/or work orders to specify the commercial terms of the transactions to be provided by the Group.

Transaction Pricing:

Pursuant to the Jiangsu Weili Framework Purchase Agreement, all transactions between the Group and Jiangsu Weili (including but not limited to raw material purchase, product sales, processing services, warehousing logistics, and other business) are conducted in the ordinary and usual course of business of the Group, on normal commercial terms, based on the principles of fairness, impartiality and independent third party. The pricing policy for the relevant transactions is based on market fair prices, quotations from independent third parties, cost-plus basis, or prices negotiated between both parties. The terms and conditions shall be no less favourable than those for similar transactions between the Group and independent third parties. Specific prices, payment, and insurance policies will be determined according to respective purchase agreements or orders to be further entered into between Jiangsu Weili and the Group.

Term:

The Jiangsu Weili Framework Purchase Agreement will take effect from 25 March 2026 and remain in force for a term of two years.

Annual Caps

The Group estimates that the annual caps for the transactions under the Jiangsu Weili Framework Purchase Agreement are as follows:

	As at 31 December 2026 *(RMB million)*	As at 31 December 2027 *(RMB million)*
	30.00	30.00

In considering the annual cap under the Jiangsu Weili Framework Purchase Agreement, the Directors primarily considered the following factors: (1) the Group's new procurement requirements for lithium iron phosphate from Jiangsu Weili. Lithium iron phosphate is a raw material for lithium batteries. Given the continued growth in the Group's lithium battery shipment volume and sales revenue, the year-over-year increase in lithium battery sales revenue from 2024 to 2025 was 31.6%. As the Group expands its production capacity, lithium battery shipment volume will continue to rise, thereby increasing the demand for lithium iron phosphate as a raw material; (2) the price of lithium iron phosphate nearly doubled from 2024 to 2025, thus the procurement costs are also a key factor in consideration.

BASIS FOR DETERMINING THE ANNUAL CAPS

The annual caps for the continuing connected transactions contemplated under the Jiangsu Weili Framework Purchase Agreement have been determined by the parties after arm's length negotiations with reference to the following:

The annual caps for the continuing connected transactions contemplated under the Jiangsu Weili Framework Purchase Agreement have been determined by the parties after arm's length negotiations with reference to the following: the Group's historical actual purchase data and production and operation expansion plans, combined with industry raw material market price trends, purchase demand forecasts for future years, and market fair procurement unit price ranges, as well as business stability requirements, the parties' supply capacity, and relevant compliance requirements under the Listing Rules. The caps were reasonably determined after sufficient demonstration, ensuring they are both reasonable and enforceable without deviating from normal market levels.

PRICING AND INTERNAL CONTROL PROCEDURES

The continuing connected transactions strictly adhere to the principles of fairness, impartiality and arm's length pricing. Pricing is primarily formulated with reference to market quotations from independent third-party suppliers, universal industry pricing standards, and prevailing market prices for raw materials. This ensures no material difference between the pricing and the prices at which the Group purchase similar goods from independent third parties, and that there is no prejudice to the interests of the Company and its Shareholders as a whole. In terms of internal control, the Company strictly enforces the above enhanced management and control measures, implementing prior review, hierarchical early warning, monthly monitoring, and regular review of the full-process closed-loop management. Designated personnel track the execution of transactions and monitor the amounts throughout the process to ensure all stages comply with the Listing Rules and internal management system requirements.

REASONS FOR AND BENEFITS OF ENTERING INTO THE JIANGSU WEILI FRAMEWORK PURCHASE AGREEMENT

Entering into the framework purchase agreement is primarily based on the Group's ongoing procurement needs for its daily production and operations. Jiangsu Weili possesses stable supply capabilities, reliable product quality, and efficient supply chain response, which can effectively ensure the stability and continuity of the Group's raw material supply and avoid the risk of supply disruption. Meanwhile, this cooperation helps optimize the Group's procurement costs, enhance procurement efficiency, and align with the Group's overall business development plan. It holds positive significance for the Company's daily operations and long-term development. The relevant transaction terms are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

GENERAL INFORMATION

The Group is a leading company in the energy storage business for the big data and telecommunication sectors, focusing on the design, research and development, manufacturing, and sales of energy storage batteries and systems.

Jiangsu Weili was established on 7 November 2022 in Taizhou City, China. Its principal business includes battery manufacturing; battery component production; mechanical and electrical equipment manufacturing; battery sales; battery component sales; recycling and cascade utilization of waste power batteries for new energy vehicles (excluding hazardous waste operations); specialized equipment manufacturing (excluding licensed professional equipment manufacturing); metal chain and other metal product manufacturing; metal product sales; metal chain and other metal product sales; research and development of emerging energy technologies; engineering and technology research and experimental development; resource recycling technology research and development; technology services, technology development, technology consulting, technology exchange, technology transfer, and technology promotion; domestic trade agency; technology import and export; goods import and export; production-related scrap metal recovery; renewable resource recovery (excluding production-related scrap metal); renewable resource processing; renewable resource sales; new material technology research and development; new material technology promotion services; technical promotion services; electronic components and electromechanical component equipment manufacturing; electronic components and electromechanical component equipment sales; packaging services; plastic product manufacturing; plastic product sales; paper product manufacturing; and paper product sales.

LISTING RULES IMPLICATIONS

As at the date of this announcement, 33.6227% of the shares in Jiangsu Weili are held by Lin Yang（林陽）, who is its ultimate beneficial owner. As Lin Yang is a cousin of Dr. Yang Rui, Jiangsu Weili is therefore a connected person of the Company under the Listing Rules, and the transactions between the Group and Jiangsu Weili constitute connected transactions.

Accordingly, as the applicable percentage ratios (other than the profits ratio) in respect of the annual caps for the transactions contemplated under the Jiangsu Weili Framework Purchase Agreement, on an individual and aggregate basis, exceed 0.1% but are all less than 5% pursuant to Chapter 14A of the Listing Rules, such transactions are only subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but are exempt from the circular (including the requirement to obtain independent financial advice) and Independent Shareholders' approval requirements pursuant to Rule 14A.76(2)(a) of the Listing Rules.

DEFINITION

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

"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board of Directors"	the board of Directors of the Group
"the Group"	the Company and its subsidiaries
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Group, including all executive Directors, non-executive Directors and independent non-executive Directors
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"PRC"	the People's Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	shareholder(s) of the Group
"Stock Exchange"	the Stock Exchange of Hong Kong Limited

"subsidiary(ies)	has the meaning ascribed thereto under the Listing Rules
"Shuangdeng Cable"	Shuangdeng Cable Co., Ltd. and its subsidiary(ies)
"Shuangdeng Cable Framework Purchase Agreement"	the raw materials framework purchase agreement entered into between the Company and Shuangdeng Cable
"Jiangsu Fushanda"	Jiangsu Fushanda New Energy Technology Co., Ltd. and its subsidiary(ies)
"Jiangsu Fushanda Framework Purchase Agreement"	the raw materials framework purchase agreement entered into between the Company and Jiangsu Fushanda
"Connected Supplier's Agreements"	Shuangdeng Cable Framework Purchase Agreement and Jiangsu Fushanda Framework Purchase Agreement
"Jiangsu Weili"	Jiangsu Weili Energy Materials Co., Ltd. and its subsidiary(ies)
"Jiangsu Weili Framework Purchase Agreement"	the raw materials framework purchase agreement entered into between the Company and Jiangsu Weili
"%"	percent

By Order of the Board
SHUANGDENG GROUP CO., LTD.
Dr. Yang Rui
Chairman of the Board, Executive Director and Chief Executive Officer

Hong Kong, 25 March 2026

As at the date of this announcement, the Board comprises Dr. YANG Rui (楊銳), Dr. YANG Baofeng (楊寶峰) and Ms. HE Rong (賀蓉) as executive Directors, Mr. QIAN Shan'gao (錢善高) as non-executive Director, and Dr. YIN Junming (殷俊明), Dr. WANG Jin (王進) and Dr. WANG Xi (王熹) as independent non-executive Directors.

* *For identification purposes only*