

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint 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 joint announcement.



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)



山高控股集團有限公司
SHANDONG HI-SPEED HOLDINGS GROUP LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 412)

JOINT ANNOUNCEMENT

MAJOR TRANSACTIONS IN RELATION TO THE EPC CONTRACT

DISCLOSEABLE TRANSACTIONS IN RELATION TO THE EPC CONTRACT

ENTER INTO THE EPC CONTRACT

Each of the SHNE Board and the SDHG Board announces that on 31 March 2026 (after trading hours), Heze SH (an indirect 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 CC2 Bureau and China Power Guiyang Research Institute). Pursuant to the EPC Contract, Heze SH agreed to engage the Joint Contractors to provide EPC services in relation to the Project at an aggregate contracting fee of RMB1,197,418,298.23 (inclusive of all taxes) (subject to adjustment in case of change in national tax policies).

LISTING RULES IMPLICATIONS

As at the date of this joint announcement, since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the EPC Contract exceed 25% but are less than 100% for SHNE, the transactions contemplated under the EPC Contract constitute major transactions under Chapter 14 of the Listing Rules and are subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

As at the date of this joint announcement, since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the EPC Contract exceed 5% but are less than 25% for SDHG, the transactions contemplated under the EPC Contract constitute discloseable transactions under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements under the Listing Rules.

WRITTEN APPROVAL FROM SHAREHOLDERS OF SHNE

To the best of the knowledge, information and belief of the SHNE Directors, having made all reasonable enquiries, none of its shareholders has any material interest in the transactions contemplated under the EPC Contract. Therefore, if SHNE convenes a shareholders' meeting to seek approval for the transactions contemplated under the EPC Contract, none of its shareholders shall be required to abstain from voting.

As at the date of this joint announcement, SDHG which directly holds 1,279,878,252 shares of SHNE, representing approximately 56.97% of the total issued share capital of SHNE, has approved the transactions contemplated under the EPC Contract by a written shareholders' approval pursuant to Rule 14.44 of the Listing Rules in lieu of a resolution to be passed at a general meeting of SHNE. As such, pursuant to Rule 14.44 of the Listing Rules, SHNE will not hold a shareholders' meeting to approve the transactions contemplated under the EPC Contract.

A circular containing, among other things, details of the EPC Contract and the transactions contemplated thereunder, together with other information as required by the Listing Rules, is expected to be issued on or before 24 April 2026. In the event that additional time is required to prepare such circular, SHNE will apply for an exemption from strict compliance with Rule 14.41(a) of the Listing Rules and will subsequently issue an announcement in accordance with the Listing Rules.

ENTER INTO THE EPC CONTRACT

Each of the SHNE Board and the SDHG Board announces that on 31 March 2026 (after trading hours), Heze SH (an indirect 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 CC2 Bureau and China Power Guiyang Research Institute). Pursuant to the EPC Contract, Heze SH agreed to engage the Joint Contractors to provide EPC services in relation to the Project at an aggregate contracting fee of RMB1,197,418,298.23 (inclusive of all taxes) (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 : 31 March 2026 (after trading hours)
- Parties : (i) Heze SH;
(ii) CC2 Bureau; and
(iii) China Power Guiyang Research Institute
- Project : the 287.5MW wind power project located in Dingtao District, Heze City, Shandong Province
- Scope of service : The Joint Contractors shall complete all the construction works of the Project, including the survey and design of wind farms, substations, power collection lines and transmission lines, procurement, transportation and storage of all equipment and materials, preparation and construction of the project, equipment installation and commissioning, and final acceptance of the project, in accordance with the EPC Contract.
- Construction period : 596 calendar days. The actual time of commencement shall be subject to the written formal notice of the principal.

Consideration : RMB1,197,418,298.23 (inclusive of all taxes) (subject to adjustment in case of change in national tax policies), which is comprised of (i) construction and engineering installation fee of RMB346,393,422.66 (tax inclusive), (ii) equipment procurement fee of RMB670,508,040.00 (tax inclusive), (iii) survey and design fee of RMB7,192,000.00 (tax inclusive), (iv) safety measure fees (including safety and civilized measures fees) of RMB100,989,835.57 (tax inclusive), (v) other fees of RMB13,710,000.00 (tax inclusive), (vi) provisional estimated amount of RMB50,000,000.00 (tax inclusive), and (vii) provisional amount of RMB8,625,000.00 (tax inclusive). Based on the calculation of the total fee of the EPC Contract and the approved installed capacity of 287.5MW, the fixed single watt price shall be RMB4.1649 per watt. If the actual installed capacity is higher than the approved installed capacity, the settlement will be based on the approved installed capacity; if it is lower than the approved installed capacity, the settlement will be based on the actual installed capacity.

The consideration under the EPC Contract was determined through a tendering selection process. In particular, the bid evaluation committee was composed of the company representative of Heze SH and the external experts randomly selected from the expert pool of the bidding agency. The Joint Contractors scored the highest among the seven 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: the overall corporate strength, qualifications, track record, project management organization staffing of the candidates of contractor, comprehensive evaluation of the design and construction plans in the technical section, and the bid amount quoted by the candidates of contractor.

Payment terms : The consideration shall be paid by the principal to the Joint Contractors in the following manner:

(i) Advance payment: The advance payment amount shall be 10% of the payment for the main equipment (wind turbines, towers and transformer substations) and 20% of the total contract price after deducting the provisional amount and the payment for the main equipment (wind turbines, towers and transformer substations), including 50% of the safety measures fees. 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 that the Joint Contractors have submitted complete advance payment documentation.

(ii) Progress payments

(a) Survey and design fee: 1) up to 50% of the survey and design fee (including advance payment) shall be paid within 28 days after the Joint Contractors deliver the survey and design deliverables and the principal receives the financial receipt; 2) up to 80% of the survey and design fee (including advance payment) shall be paid within 28 days after the Joint Contractors complete the construction drawing review and approval certificate and the principal receives the financial receipt; 3) up to 97% of the survey and design fee (including advance payment) shall be paid within 28 days after the Joint Contractors deliver the as-built drawings and bill of quantities which shall have been reviewed and approved by the principal and relevant competent departments, complete the project completion acceptance, archive the design documents, and provide the financial receipt; and 4) after one year of the completion and acceptance, 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 be paid within 28 days after the principal receives the financial receipt.

- (b) Payment for wind turbines, towers and transformer substation equipment: 1) 10% of the advance payment has been included in the above provisions regarding the advance payment; 2) pre-delivery payment: within 30 days after the Joint Contractors submit the invoices and the principal verifies that they are correct, the principal shall pay the Joint Contractors 20% of the payment for the main equipment (turbines, towers and transformer substations), and the Joint Contractors shall complete the shipment of the first batch of equipment within 60 days after receiving the pre-delivery payment; 3) arrival payment: after the Joint Contractors complete the delivery of equipment in each batch or monthly, the principal shall deliver the goods at the agreed delivery location, and after both parties have counted and accepted the goods and signed the goods acceptance certificate, the principal shall pay the Joint Contractors 50% of the price of the batch of goods within 20 days after the Joint Contractors submit the valid invoices and the principal has verified that they are correct; 4) pre-inspection payment: after the performance acceptance certificate of each batch of wind turbine units in the wind farm is signed, the principal shall pay the Joint Contractors 20% of the contract price of such batch of wind turbines within 20 days after the Joint Contractors submit the invoices and the principal has verified that they are correct; and 5) return of the quality guarantee letter: after the equipment quality guarantee period ends, the principal shall return the quality guarantee letter to the Joint Contractors within 30 days after receiving the invoices provided by the Joint Contractors and verifying that they are correct.

(c) Payment for construction and engineering installation fee (excluding payment for wind turbines, towers and transformer substation equipment): 1) 10% of the advance payment has been included in the above provisions regarding the advance payment; 2) progress payments: within 28 days of receiving the invoices from the Joint Contractors, the principal shall pay the Joint Contractors up to 80% of the output value completed in that month; 3) payment for full-capacity grid connection: the principal shall pay the Joint Contractors up to 90% of the completed project value within 28 days of receiving the invoices provided by the Joint Contractors; 4) two months after full-capacity grid connection, the principal shall pay the Joint Contractors up to 95% of the total completed project value within 28 days of receiving the invoices provided by the Joint Contractors; and 5) settlement payments: after the principal and contractor complete the final settlement in accordance with the principal's final settlement system and sign the final settlement agreement and fulfill the payment conditions stipulated in the above terms, the principal shall pay the Joint Contractors up to 97% of the settlement amount for construction and engineering within 28 days after receiving the documents provided by the Joint Contractors.

(d) Payment for other fees: 1) 10% of the advance payment has been included in the above provisions regarding the advance payment; 2) progress payments for other fees: within 28 days after the Joint Contractors submit the invoices and the principal verifies that they are correct, up to 80% of the actual completed output value shall be paid by the principal; 3) payment for other fees upon full-capacity grid connection: upon the successful full-capacity grid connection, within 28 days after the Joint Contractors submit the documents to the principal and the principal verifies that they are correct, the principal shall pay up to 90% of the total completed project value; 4) two months after full-capacity grid connection, within 28 days after the Joint Contractors submit the invoices, the principal shall pay the Joint Contractors up to 95% of the total completed project value; and 5) settlement payments: after the project passes the final acceptance inspection, within 28 days after the Joint Contractors submit the documents to the principal and the principal verifies that they are correct, payment shall be made up to 97% of the settlement amount.

(iii) Quality warranty: No quality warranty will be withheld for main equipment (wind turbines, towers and transformer substation equipment). A bank guarantee for quality assurance, payable on demand, shall be provided for 10% of the final settlement amount of the main equipment. The guarantee shall be valid from the date the equipment passes the 240-hour trial run until 60 days after the expiration of the equipment quality defect warranty period. Except for major equipment, other output value (including construction and installation projects and other projects) shall be subject to a quality guarantee deposit of 3% of the final settlement amount.

Performance guarantee : Under the EPC Contract, the Joint Contractors shall provide the principal with a bank performance guarantee, payable on demand, for the amount equal to the advance payment within 28 days after the contract is signed and becomes effective. The performance guarantee letter shall be returned to the Joint Contractors after the satisfactory completion and inspection of the Project.

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

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 the 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 the Shandong 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 the 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.

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.

Heze SH

As at the date of this joint announcement, Heze SH is an indirect wholly-owned subsidiary of SHNE and an indirect non-wholly-owned subsidiary of SDHG, primarily engaged in power generation, power transmission and power supply (distribution) services. General items: sales of new energy prime movers; sales of generators and generator sets; wind power generation technical services; electrical equipment repair; general equipment repair; sales of wind turbine generator sets and components; sales of onshore wind turbine generator sets; and power generation technical services.

Joint Contractors

CC2 Bureau

CC2 Bureau is a company incorporated in the PRC with limited liability. As at the date of this joint announcement, CC2 Bureau is primarily engaged in civil engineering construction, nuclear power plant construction, and the design, construction, research, and consulting of decoration projects; as well as the installation of lines, pipelines, and equipment, and is a wholly-owned subsidiary of China State Construction Engineering Corporation Limited* (中國建築股份有限公司) (whose A shares are listed on the Shanghai Stock Exchange, stock code: 601668).

China Power Guiyang Research Institute

China Power Guiyang Research Institute is a company incorporated in the PRC with limited liability. As at the date of this joint announcement, China Power Guiyang Research Institute is primarily engaged in engineering surveying, construction engineering design, construction engineering supervision, and water conservancy engineering construction supervision, and is a wholly-owned subsidiary of Power Construction Corporation of China Limited* (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, CC2 Bureau, China Power Guiyang Research Institute and their ultimate beneficial owners are Independent Third Parties.

LISTING RULES IMPLICATIONS

As at the date of this joint announcement, since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the EPC Contract exceed 25% but are less than 100% for SHNE, the transactions contemplated under the EPC Contract constitute major transactions under Chapter 14 of the Listing Rules and are subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

As at the date of this joint announcement, since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the EPC Contract exceed 5% but are less than 25% for SDHG, the transactions contemplated under the EPC Contract constitute discloseable transactions under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements under the Listing Rules.

WRITTEN APPROVAL FROM SHAREHOLDERS OF SHNE

To the best of the knowledge, information and belief of the SHNE Directors, having made all reasonable enquiries, none of its shareholders has any material interest in the transactions contemplated under the EPC Contract. Therefore, if SHNE convenes a shareholders' meeting to seek approval for the transactions contemplated under the EPC Contract, none of its shareholders shall be required to abstain from voting.

As at the date of this joint announcement, SDHG, which directly holds 1,279,878,252 shares of SHNE, representing approximately 56.97% of the total issued share capital of SHNE, has approved the transactions contemplated under the EPC Contract by a written shareholders' approval pursuant to Rule 14.44 of the Listing Rules in lieu of a resolution to be passed at a general meeting of SHNE. As such, pursuant to Rule 14.44 of the Listing Rules, SHNE will not hold a shareholders' meeting to approve the transactions contemplated under the EPC Contract.

A circular containing, among other things, details of the EPC Contract and the transactions contemplated thereunder, together with other information as required by the Listing Rules, is expected to be despatched to the shareholders on or before 24 April 2026. In the event that additional time is required to prepare such circular, SHNE will apply for an exemption from strict compliance with Rule 14.41(a) of the Listing Rules and will subsequently issue an announcement in accordance with the Listing Rules.

DEFINITIONS

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

“CC2 Bureau”	China Construction Second Engineering Bureau Ltd.* (中國建築第二工程局有限公司), a company incorporated in the PRC with limited liability
“China Power Guiyang Research Institute”	China Power Construction Group Guiyang Survey and Design Institute Co., Ltd.* (中國電建集團貴陽勘測設計研究院有限公司), 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 287.5MW wind power project dated 31 March 2026 entered into by Heze SH and the Joint Contractors for the Project

“Heze SH”	Heze Shandong Hi-Speed Wind Power Co., Ltd.* (菏澤山高風電有限公司), a company established in the PRC with limited liability
“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 SHNE Group, any member of the SDHG Group, the SHNE Directors, the SDHG Directors, the chief executives, the controlling shareholders, the substantial shareholders of each of SHNE and SDHG or their subsidiaries, and their respective associates
“Joint Contractors”	collectively, CC2 Bureau and China Power Guiyang Research Institute
“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 287.5MW wind power project located in Dingtiao District, Heze City, Shandong Province
“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
“SHNE”	Shandong Hi-Speed New Energy Group Limited (山高新能源集團有限公司), a company established 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
“%”	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, 31 March 2026

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