双登集团
SHUANGDENG GROUP

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)

SUPPLEMENTAL ANNOUNCEMENT CONTINUING CONNECTED TRANSACTIONS – IN RELATION TO REVISION OF ANNUAL CAPS FOR SHUANGDENG CABLE FRAMEWORK PURCHASE AGREEMENT AND JIANGSU FUSHANDA FRAMEWORK PURCHASE AGREEMENT; AND ENTERING INTO OF JIANGSU WEILI FRAMEWORK PURCHASE AGREEMENT

Reference is made to the announcement of SHUANGDENG GROUP CO., LTD. (the "**Company**") dated 25 March 2026 (the "**Announcement**") in relation to, among other things, the continuing connected transactions of the Company. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Board hereby provides further information in relation to the renewal of the Shuangdeng Cable Framework Purchase Agreement, the Jiangsu Fushanda Framework Purchase Agreement, and the Jiangsu Weili Framework Purchase Agreement.

SHUANGDENG CABLE FRAMEWORK PURCHASE AGREEMENT AND JIANGSU FUSHANDA FRAMEWORK PURCHASE AGREEMENT

The Revised Annual Caps for the Years of 2026 and 2027 of the Shuangdeng Cable Framework Purchase Agreement

The revised annual caps for Shuangdeng Cable Framework Purchase Agreement are RMB10 million and RMB30 million for the years ended 31 December 2026 and 2027, compared to the actual transaction amount of RMB1.02 million in 2025. The basis of determination is based on the following factors:

(i) The Group's business expansion plans and demand for key infrastructure materials

The cables procured from Shuangdeng Cable are primarily used for factory and building construction. According to the Group's expansion plans as disclosed in the prospectus which align with the use of the proceeds of the Group, the Group will construct a new 2.8 GWh high-rate lithium battery cell plant and a new large-capacity lithium battery cell factory with a capacity of 6 GWh in the PRC, and establish a lithium-ion battery production base in Southeast Asia, and invest in a large-capacity lithium battery cell manufacturing plant. Upon completion, total production capacity is expected to increase by more than 50%. Additionally, the Group plans to establish its global R&D headquarters in Taizhou, Jiangsu. Therefore, there will be an estimated capacity increase of 2.8 GWh in 2026 and 6 GWh in 2027, which will result in increased demand for key infrastructure materials of the Group.

(ii) Raw material price trend

Cables are copper-intensive products. The price of copper increased by approximately 40% from RMB73,000/t in the year ended 31 December 2024 to RMB104,000/t in the year ended 31 December 2025. The Group expects copper prices to remain elevated or continue rising for the years of 2026 and 2027, which further contributes to the increase in the total procurement amount.

Based on the above factors, the Company set the revised annual caps under the Shuangdeng Cable Framework Purchase Agreement of RMB10 million and RMB30 million for the years ended 31 December 2026 and 2027. The Company may procure cables from Independent Third Parties other than Shuangdeng Cable to ensure that transactions with Shuangdeng Cable strictly comply with the annual caps.

The Revised Annual Caps for the Years of 2026 and 2027 of the Jiangsu Fushanda Framework Purchase Agreement

The revised annual caps under the Jiangsu Fushanda Framework Purchase Agreement are RMB60 million and RMB80 million for the years ended 31 December 2026 and 2027, compared to the actual transaction amount of RMB24.84 million in the year of 2025. The determination is based on the following factors

(i) Surge in lithium battery shipments driving connection cable demand

The Group procures battery connection cables from Jiangsu Fushanda for its AIDC data center energy storage systems. In the year of 2025, the Group's sales of AIDC smart computing center energy storage lithium-ion battery products increased by 593% year-on-year, and sales of energy storage lithium-ion battery products grew by 376% year-on-year. According to the Group's internal forecast, sales of lithium battery are projected to increase from approximately 4,391,872 KWH in the year of 2025 to approximately 9,008,000 KWH in the year of 2026 (a 105% increase) and to approximately 13,512,000 KWH in 2027 (a further 50% increase), therefore will result in increased demand for key infrastructure materials of the Group.

(ii) New procurement of copper bar connectors

Starting from the year of 2026, the Group plans to purchase copper bar connectors from Jiangsu Fushanda for use in lead-acid energy storage systems. Based on the Group's lead-acid battery revenue of approximately RMB2.97 billion in the year of 2025 and the industry-standard cost ratio of approximately 1.5% of sales price for copper bar connectors, the estimated annual procurement amount for copper bars would be approximately RMB44.55 million.

(iii) Rising metal prices

Both connection cables and copper bars are metal-based products. The price of copper increased by approximately 40% from RMB73,000/t in the year ended 31 December 2024 to RMB104,000/t in the year ended 31 December 2025. The Group expects copper prices to remain elevated or continue rising for the years of 2026 and 2027, which further contributes to the increase in the total procurement amount.

Based on the above factors, the Company set the revised annual caps under the Jiangsu Fushanda Framework Purchase Agreement of RMB60 million and RMB80 million for the years ended 31 December 2026 and 2027. The Company may procure cables from Independent Third Parties other than Jiangsu Fushanda to ensure that transactions with Jiangsu Fushanda strictly comply with the annual caps.

Pricing Policies of the Shuangdeng Cable Framework Purchase Agreement and the Jiangsu Fushanda Framework Purchase Agreement

The Company's Bidding Management Policy（招標管理制度）requires that for tender projects (construction projects, fixed asset purchases and major repairs, and procurement projects which exceeding RMB50,000 per item), no less than three participating bidders are generally required. For negotiated bidding（議標）, at least one independent third-party supplier and the connected supplier (where applicable). Where negotiated bidding is adopted due to the specialised nature of the products or other practical circumstances resulting in fewer than three quotations being available, the Company will still obtain at least one quotation from an independent third-party supplier for comparison purposes. The Company will also assess the reasonableness of the proposed pricing by reference to relevant factors, including market prices of key raw materials (where available), historical procurement prices and other principal commercial terms. The reasons for adopting negotiated bidding and the basis for price assessment and supplier selection will be properly documented and are subject to review and approval by the finance department and the investment and securities department before the transaction is entered into. These minimum quotation requirements apply equally to connected suppliers to ensure competitive tension.

The Company does not have a mark-up rate applicable to Shuangdeng Cable or Jiangsu Fushanda. Where costs and expenses are used as a reference for price determination (e.g., on a cost-plus basis), the pricing is negotiated on an arm's length basis and documented in the relevant agreement. Such pricing must comply with the Listing Rules requirement of being on normal commercial terms or better.

Enhanced Internal Control Measures Adopted by the Company

The Company has taken the following mitigation measures ("**Enhanced Measures**") since 25 March 2026 to further strengthen its internal monitoring procedures of the continuing connected transactions:

(1) Strengthened monitoring of continuing connected transactions

The Company has established a monitoring mechanism to ensure real-time oversight of actual transaction amounts against the annual cap. The designated personnel of the supply chain department of the Company (the "**Designated Personnel**") are required to conduct monthly reviews. The Designated Personnel responsible for the monthly reviews comprise the procurement manager of the supply chain department and the general manager of the supply chain department. In particular, the procurement manager of the supply chain department is responsible for conducting the first-level verification of the continuing connected transaction records and actual transaction amounts on a monthly basis, including checking the transaction ledger, monitoring the utilisation of the relevant annual caps, and identifying any threshold trigger events. The general manager of the supply chain department is responsible for reviewing and verifying the results, overseeing the overall monitoring process, and reporting relevant matters to the Board in accordance with the Company's internal procedures, including where the prescribed reporting thresholds are triggered. If the cumulative actual amount reaches 70% of the annual cap, they 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.

In addition, the Group's internal audit department will monthly collect and monitor the transaction amount of continuing connected transactions to ensure timely assessment on whether the annual caps are exceeded, and will timely report to the Board. 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.

(2) Embedded connected person identification and enhanced assessment and approval processes

The Company has revised the bidding management procedures to mandate that all potential suppliers submit a connected person confirmation at the time of bidding or quotation, disclosing any relationship with the Company's directors, supervisors, senior management or substantial shareholders. In addition, when a procurement order or contract involves a supplier flagged as a connected person, the approval workflow will triggers an alert which requires additional assessment and approval by the finance department, and the investment and securities department for approval and authorization. If the cumulative amount for the year has exceeded 80% of the annual cap, each continuing connected transaction requires the approval of one of the executive Directors of the Board.

(3) Clarified responsibilities and accountability

The enhanced framework explicitly designates the business units (project implementation units) as the primary responsible parties for identifying connected transactions at the earliest stage. Any failure to comply with the prescribed identification and reporting procedures will result in accountability actions, including the allocation of liability for losses incurred, in accordance with the Company's disciplinary policies. This ensures that responsible personnel at each level understand and are held accountable for their compliance obligations.

(4) Enhanced training programs

The Company has rolled out comprehensive, role-based training to deepen understanding of the Listing Rules and internal control requirements. The training is tailored to different audiences:

For directors and audit committee members, the training focuses on regulatory responsibilities, deliberation and decision-making processes, and due diligence requirements under the Listing Rules. For finance and compliance personnel, the training emphasizes transaction identification, calculation of amounts, ledger management, and the early-warning escalation mechanism. For business and procurement personnel, the training covers the obligation to pre-report potential connected transactions and the operational standards for compliant execution. Specific assessments are conducted after each training session to verify that relevant personnel have fully grasped the compliance requirements, and refresher sessions are scheduled semi-annually to maintain a high level of awareness.

JIANGSU WEILI FRAMEWORK PURCHASE AGREEMENT

Pricing Policy and Internal Control Procedures

The pricing policy under the Jiangsu Weili Framework Purchase Agreement is as follows: For each procurement transaction under this agreement, the Company's project implementation unit will first identify the required specifications and quantities. The bidding office, together with the finance department and the project implementation unit, will then obtain at least three quotations from suppliers (including two independent third party suppliers and Jiangsu Weili) in accordance with the Bidding Management Policy. A comparative market price analysis will performed among the quotations, including the unit price, prices of key raw materials, payment terms, etc. The Company will also conduct an item-by-item comparison of key terms such as specifications and models, technical standards, quality, delivery time, transportation, and after-sales service among such quotations. If the quotation bases are not entirely comparable, appropriate adjustments will be made, and written records of price comparison along with recommendation opinions will be prepared and submitted to the finance department and the investment and securities department for review and approval. 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 a comparable market price is available (i.e., the price information as listed at Shanghai Metals Market (www.smm.cn)), 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. Shanghai Metals Market is an integrated internet platform provider of nonferrous and ferrous metals, which provides comprehensive benchmark prices, analysis, news, consulting and conferences of the metals & mining industry. The platform has been certified by the International Organization of Securities Commissions (IOSCO). The Directors are of the view that Shanghai Metals Market is a reputable source of reference of prices for raw materials.

The Company does not have a mark-up rate applicable to Jiangsu Weili. Where costs and expenses are used as a reference for price determination, the pricing is negotiated on an arm's length basis and documented in the relevant agreement. Such pricing must comply with the Listing Rules requirement of being on normal commercial terms or better.

In the event that fewer than three quotations are available (e.g., due to specialized products), the Company will follow the negotiated bidding (議標) procedures, which require documented justification and approval by the responsible officer. All pricing decisions are documented, including the basis for selecting the supplier and the reasonableness assessment, and are subject to review by the finance department and the compliance department to ensure compliance with the Listing Rules. No transaction will be executed without proper approval. This policy ensures that all transactions under the Jiangsu Weili Framework Purchase Agreement are conducted on normal commercial terms, are fair and reasonable, and are in the interests of the Company and its shareholders.

All other information as set out in the Announcement remain unchanged and shall continue to be valid for all purposes, while this announcement is supplemental to and should be read in conjunction with the Announcement.

By Order of the Board
SHUANGDENG GROUP CO., LTD.
(雙登集團股份有限公司)
Dr. Yang Rui
Chairman of the Board, Executive Director and
Chief Executive Officer

Hong Kong, 27 May 2026

As at the date of this announcement, the Board comprises (i) Dr. Yang Rui, Dr. Yang Baofeng and Ms. He Rong as executive Directors; (ii) Mr. Qian Shan'gao, Mr. Lou Zhiqiang and Ms. Hu Shuxuan as non-executive Directors; and (iii) Dr. Yin Junming, Dr. Wang Jin and Dr. Wang Xi as independent non-executive Directors.