RISUN

China Risun Group Limited
中國旭陽集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1907)

CONTINUING CONNECTED TRANSACTIONS PROVISION OF FINANCIAL ASSISTANCE

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

Gram Capital Limited
嘉林資本有限公司

The Board hereby announces that on September 23, 2026, Binhai Energy, an indirect non-wholly-owned subsidiary of the Company, entered into the Framework Agreement with the Project Companies and Xuyang Holding. Pursuant to the Framework Agreement, Binhai Energy may provide loans to the Project Companies and/or guarantees for their financing and performance during the period up to December 31, 2028, and Xuyang Holding has agreed to provide joint and several guarantees to Binhai Energy in proportion to its shareholding in each of the Project Companies in respect of all debts owed by the Project Companies to Binhai Energy under the Framework Agreement and any specific loan agreements and/or guarantee agreements entered into thereunder.

LISTING RULES IMPLICATIONS

Xuyang Holding is wholly owned by Mr. Yang Xuegang, the controlling shareholder, executive Director, chief executive officer and chairman of the Board of the Company, together with his spouse, Ms. Lu Xiaomei, who is also an executive Director. As such, Xuyang Holding is an associate of Mr. Yang Xuegang and Ms. Lu Xiaomei, and thus a connected person of the Company. The Project Companies, namely Xiangfu New Energy, Xingtai New Energy and Baotou Silicon Carbon, are non-wholly-owned subsidiaries indirectly held by the Company through Binhai Energy and are held directly or indirectly by Xuyang Holding as to 36.7%, 49% and 49%, respectively. Therefore, each of the Project Companies is a connected subsidiary of the Company. The transactions under the Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the provision of loans and/or guarantees by Binhai Energy under the Framework Agreement and the provision of loans by Risun Group under the Xiangfu Loan Agreement and the Xingtai Loan Agreement both constitute financial assistance provided by the Group to its connected subsidiaries, the Company has aggregated such transactions for the purpose of determining the applicable requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the Maximum Daily Outstanding Balance (whether calculated on a standalone basis or aggregated with the transactions under the Xiangfu Loan Agreement and the Xingtai Loan Agreement) exceed 5%, the transactions under the Framework Agreement are subject to the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The provision of joint and several guarantees by Xuyang Holding to Binhai Energy as counter-guarantees under the Framework Agreement (i) is conducted on normal commercial terms or better, and (ii) is not secured by any assets of the Group. Accordingly, the provision of the counter-guarantees by Xuyang Holding is fully exempt under Rule 14A.90 of the Listing Rules.

The Company will convene the EGM to seek approval from the Independent Shareholders for the transactions under the Framework Agreement (including the Maximum Daily Outstanding Balance). The Company has established the Independent Board Committee to advise the Independent Shareholders in respect of the transactions under the Framework Agreement (including the Maximum Daily Outstanding Balance). Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among others, details of the Framework Agreement, a letter from the Independent Board Committee, a letter from Gram Capital and a notice of the EGM, will be despatched to the Shareholders within 15 business days from the date of this announcement.

BACKGROUND

The Board hereby announces that on September 23, 2026, Binhai Energy, an indirect non-wholly-owned subsidiary of the Company, entered into the Framework Agreement with the Project Companies and Xuyang Holding. Pursuant to the Framework Agreement, Binhai Energy may provide loans to the Project Companies and/or guarantees for their financing and performance during the period up to December 31, 2028, and Xuyang Holding has agreed to provide joint and several guarantees to Binhai Energy in proportion to its shareholding in each of the Project Companies in respect of all debts owed by the Project Companies to Binhai Energy under the Framework Agreement and any specific loan agreements and/or guarantee agreements entered into thereunder.

FRAMEWORK AGREEMENT

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

Date

September 23, 2026

Parties

(i) Binhai Energy (as provider of financial assistance);

(ii) Project Companies, namely Xiangfu New Energy, Xingtai New Energy and Baotou Silicon Carbon (each as recipient of financial assistance); and

(iii) Xuyang Holding (as provider of counter-guarantees)

Provision of loans and/or guarantees

Pursuant to the Framework Agreement, Binhai Energy may provide loans to the Project Companies and/or guarantees for their financing and performance. In respect of guarantees, they may take the form of, but are not limited to, guarantees for bank loans, finance leases and other financing arrangements of the Project Companies, as well as bid guarantees, performance guarantees, advance payment guarantees, quality guarantees and other guarantees issued in relation to their performance of business contracts.

Interest rate for loans

The interest rate for loans provided by Binhai Energy to the Project Companies shall not be lower than (i) the loan prime rate of the same term announced from time to time by the National Interbank Funding Center authorized by the People's Bank of China, (ii) the interest rates charged by major commercial banks in China for loans of the same size and term, and (iii) the deposit interest rates available to Binhai Energy from major commercial banks in China for the relevant funds.

Application for loans and/or guarantees

During the term of the Framework Agreement and within the limit of the Maximum Daily Outstanding Balance, the Project Companies shall submit loan and/or guarantee applications to Binhai Energy. Binhai Energy has the right to decide whether to provide a specific loan or to provide a guarantee for a specific debt having regard to its own financial position, the credit status and repayment ability of the Project Companies, the size and risk of the proposed loan or the proposed guaranteed debt, and such other factors as Binhai Energy considers relevant.

Repayment

The Project Companies shall repay each loan to Binhai Energy and pay the accrued interest thereon on the maturity date of such loan. If the Project Companies fail to timely repay the loan and the accrued interest, or use the loan for purposes other than those stipulated in the Framework Agreement, Binhai Energy shall have the right to cease granting loans to them and to require them to repay in advance all or part of the outstanding loans, together with the accrued interest, before the maturity date.

Purpose

The Project Companies may only use the loans obtained from Binhai Energy under the Framework Agreement for their daily production and operations as well as construction of projects, and Binhai Energy shall only provide guarantees for the Project Companies under the Framework Agreement in respect of the debts incurred by them for the same purposes as aforesaid.

Term

The Framework Agreement shall become effective upon obtaining the approval of the Independent Shareholders, and shall remain in effect until December 31, 2028. Binhai Energy and the Project Companies shall enter into separate specific agreements in accordance with the principles established under the Framework Agreement to set out the specific terms and conditions of each loan and guarantee. The maturity date of each loan and the debt under each guarantee shall not exceed the term of the Framework Agreement.

Counter-guarantees

As at the date of this announcement, the Project Companies, namely Xiangfu New Energy, Xingtai New Energy and Baotou Silicon Carbon, are held directly or indirectly as to 63.3%, 51% and 51% by Binhai Energy, and as to 36.7%, 49% and 49% by Xuyang Holding, respectively.

Xuyang Holding has agreed to provide joint and several guarantees to Binhai Energy as counter-guarantees in proportion to its shareholding in each of the Project Companies, in respect of all debts owed by the Project Companies to Binhai Energy under the Framework Agreement and any specific loan agreements and/or guarantee agreements entered into thereunder (including loan principal, interest, penalty interest, compound interest, liquidated damages, damages, and the reimbursement amounts and interest thereon to which Binhai Energy is entitled under its right of recourse against the Project Companies arising from the performance by Binhai Energy of the guarantees provided by it for the Project Companies, as well as costs incurred by Binhai Energy for the enforcement of its claims). The guarantee period of Xuyang Holding shall be three years from the date on which the relevant debt falls due or in respect of Binhai Energy's right of recourse, the date on which Binhai Energy actually makes the reimbursement on behalf of the Project Companies.

In light of the above counter-guarantee arrangements, Binhai Energy and Xuyang Holding in substance bear the guarantee obligations in proportion to their respective shareholdings in the Project Companies. Accordingly, Binhai Energy will not charge any guarantee fee for the guarantees it provides to the Project Companies, nor shall Xuyang Holding charge any guarantee fee for the counter-guarantees it provides to Binhai Energy.

HISTORICAL FIGURES

For the two years ended December 31, 2025 and the eight months ended August 31, 2026, the maximum daily outstanding balance (including accrued interest) of loans provided by Binhai Energy to the Project Companies and the maximum daily outstanding balance (including accrued interest) of debts under the guarantees provided by Binhai Energy to the Project Companies are as follows:

	For the year ended December 31, 2024 *(approximately RMB million)*	**For the year ended December 31, 2025** *(approximately RMB million)*	**For the eight months ended August 31, 2026** *(approximately RMB million)*[1]
Maximum daily outstanding balance (including accrued interest) of loans	180	150	210[2]
Maximum daily outstanding balance (including accrued interest) of debts under the guarantees	130	740	1,800

Notes:

(1) The Company completed the acquisition of shares in Binhai Energy on June 24, 2026 (please refer to the announcements of the Company dated April 29, 2026 and June 25, 2026 for details). Since then, Binhai Energy has become a subsidiary of the Company, and each of the Project Companies has become a connected subsidiary of the Company. Accordingly, the historical transactions set out in the table above up to June 23, 2026 do not constitute connected transactions of the Company. As at June 24, 2026, the outstanding loans and guaranteed debts of the Project Companies with Binhai Energy as the lender or guarantor comprised: (i) an outstanding balance of approximately RMB210 million (including accrued interest) of a fixed-amount loan provided by Binhai Energy to Xiangfu New Energy under a loan agreement dated September 15, 2024; (ii) an aggregate outstanding amount of approximately RMB1,655 million of debts under five fixed-amount loan agreements entered into by Xiangfu New Energy with financial institutions between December 18, 2025 and May 18, 2026, for which Binhai Energy provided guarantees; and (iii) an aggregate outstanding amount of approximately RMB145 million under two fixed-amount guarantee agreements dated June 4, 2025 and June 11, 2026, respectively, entered into by Binhai Energy with two non-financial institutions in respect of project performance obligations of Xiangfu New Energy. From June 24, 2026 up to the date of this announcement, Binhai Energy has not entered into any new relevant transactions with the Project Companies.

(2) This figure excludes the borrowings under the loan agreements entered into by Risun Group with Xiangfu New Energy and Xingtai New Energy, respectively, which became effective on August 25, 2026 (the "**Xiangfu Loan Agreement**" and the "**Xingtai Loan Agreement**", respectively), as disclosed in the announcement of the Company dated August 25, 2026. Pursuant to the Xiangfu Loan Agreement, Risun Group agreed to provide a revolving loan in an amount not exceeding RMB200 million at an interest rate of 4.45% per annum to Xiangfu New Energy, which will mature on August 6, 2028. Pursuant to the Xingtai Loan Agreement, Risun Group agreed to provide a revolving loan in an amount not exceeding RMB100 million at an interest rate of 4.45% per annum to Xingtai New Energy, which will mature on August 6, 2028. Risun Group is the single largest shareholder of Binhai Energy and not a subsidiary of Binhai Energy, and accordingly the borrowings provided by Risun Group to Xiangfu New Energy and Xingtai New Energy under the Xiangfu Loan Agreement and the Xingtai Loan Agreement are not included in the historical figures set out in the table above. The Company has complied with the relevant disclosure requirements under the Listing Rules in respect of the transactions under the Xiangfu Loan Agreement and the Xingtai Loan Agreement.

THE CAPS

For each of the three years ending December 31, 2028, the Maximum Daily Outstanding Balance under the Framework Agreement, including the sub-cap for the maximum daily outstanding balance of loans, shall not exceed the amounts set out in the table below:

	For the year ending December 31, 2026 *(approximately RMB million)*	**For the year ending December 31, 2027** *(approximately RMB million)*	**For the year ending December 31, 2028** *(approximately RMB million)*
Maximum Daily Outstanding Balance (including accrued interest)	6,400	6,400	6,400
Of which: maximum daily outstanding balance (including accrued interest) of loans	600	600	600

In determining the above caps, the Directors have taken into account the historical amounts of loans and guarantees provided by Binhai Energy to the Project Companies as mentioned above, as well as the financing needs and business development requirements of the Project Companies for the period up to December 31, 2028. Binhai Energy and the Project Companies focus on the lithium battery anode materials business, engaging in the research and development, production and sales of artificial graphite anode materials. Meanwhile, in anticipation of future trends in the lithium battery materials industry, they are developing a series of new lithium battery materials businesses to establish the Group's third core business pillar.

The Group expects that the respective proportions of the financing requirements of Xiangfu New Energy, Xingtai New Energy and Baotou Silicon Carbon will be approximately 94%, 3% and 3%. Such financing requirements are primarily determined based on the capital needs for the construction projects of each of the Project Companies. Specifically: (i) Xiangfu New Energy is constructing an integrated lithium battery anode materials project and supporting facilities with an annual capacity of 200,000 tonnes in Shangdu County, Ulanqab, Inner Mongolia Autonomous Region, which, together with its 580,000 kilowatt source-grid-load-storage green power project, will further deepen its presence in the lithium battery materials sector; (ii) Xingtai New Energy is constructing a porous carbon project with an annual capacity of 1,000 tonnes in Xingtai City, Hebei Province; and (iii) Baotou Silicon Carbon is constructing a silicon-carbon anode materials project with an annual capacity of 2,000 tonnes in Baotou City, Inner Mongolia Autonomous Region, which will form a "porous carbon – silicon-carbon anode materials" industrial chain with the porous carbon project of Xingtai New Energy.

The Maximum Daily Outstanding Balance of RMB6,400 million covers the guarantees to be provided by Binhai Energy to the Project Companies and includes a sub-cap of RMB600 million for loans. The Maximum Daily Outstanding Balance is determined primarily by reference to:

(i) the aggregate amount of debts under the guarantees for executed loan, facility and/or financing agreements entered into by the Project Companies with independent third party banks and/or financial institutions, being approximately RMB3,210 million (of which approximately RMB1,800 million has been drawn down); and

(ii) the aggregate amount of (a) debts to be obtained by the Project Companies from independent third party banks and/or financial institutions, and (b) payables to be incurred under contracts of the Project Companies with service providers, which will be included under the guarantees, being approximately RMB2,980 million, of which approximately RMB2,450 million is expected to be used for the construction of Xiangfu New Energy's integrated lithium battery anode materials project and source-grid-load-storage green power project, RMB260 million for Xingtai New Energy's porous carbon project, and RMB270 million for Baotou Silicon Carbon's silicon-carbon anode materials project.

The sub-cap for loans of RMB600 million is determined primarily having regard to the financial position of Binhai Energy, by reference to the aggregate amount of existing loans provided by Binhai Energy to the Project Companies, being approximately RMB210 million, and possible further loans to be provided by Binhai Energy in circumstances where such arrangement would be more advantageous for Binhai Energy and its subsidiaries as a whole compared to the Project Companies obtaining financing from independent third parties.

Although the Maximum Daily Outstanding Balance of RMB6,400 million is significantly higher than the historical maximum daily outstanding balances, the Directors are of the view that the Maximum Daily Outstanding Balance is fair and reasonable, taking into account: (i) the historical figures were primarily incurred during the early stage of project construction, during which financing needs were relatively limited; (ii) the Project Companies are entering a phase of accelerated development, with substantial financing requirements for the construction of the aforesaid projects; and (iii) the Maximum Daily Outstanding Balance has been determined based on the expected financing needs associated with executed agreements as well as planned financing for project developments and working capital.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS UNDER THE FRAMEWORK AGREEMENT

Each of the Project Companies is an indirect non-wholly-owned subsidiary of the Company. The provision of loans by Binhai Energy to the Project Companies will reduce the Group's idle funds, facilitate a reasonable allocation of resources, and enhance the efficiency of fund utilization. The provision of guarantees by Binhai Energy to the Project Companies will facilitate the Project Companies in obtaining financing from financial institutions to satisfy their financing needs and support their business development. This is in line with the Group's overall interests and its future development strategy in the new materials industry. Meanwhile, Xuyang Holding provides joint and several guarantees to Binhai Energy as counter-guarantees in proportion to its shareholding in each of the Project Companies, which can effectively reduce the risk exposure of Binhai Energy in providing loans and guarantees to the Project Companies, and ensure that Xuyang Holding, as a minority shareholder of the Project Companies, assumes liabilities corresponding to its shareholding proportion.

The Directors (excluding the independent non-executive Directors, whose views will be set out in the letter from the Independent Board Committee to be included in the circular) consider that the transactions under the Framework Agreement are conducted in the ordinary and usual course of business of the Group on normal commercial terms, are fair and reasonable, and in the interests of the Company and the Shareholders as a whole, and that the Maximum Daily Outstanding Balance is also fair and reasonable.

Mr. Yang Xuegang, Ms. Lu Xiaomei and Mr. Yang Lu (the son of Mr. Yang Xuegang and Ms. Lu Xiaomei) have abstained from voting on the Board resolution to consider and approve the transactions under the Framework Agreement.

INTERNAL CONTROL MEASURES

To effectively reduce the risks in connection with the provision of loans and guarantees, the Group will implement the following internal control and risk management measures:

- Upon receipt of loan and/or guarantee applications submitted by the Project Companies, Binhai Energy will review such applications. Binhai Energy has the right to decide whether to provide a specific loan or to provide a guarantee for a specific debt having regard to its own financial position, the credit status and repayment ability of the Project Companies, the size and risk of the proposed loan or the proposed guaranteed debt, and such other factors as Binhai Energy considers relevant. Should Binhai Energy have any concerns regarding the business or financial position of the Project Companies, it will seek approval from the Company.

- Before entering into a specific agreement for the provision of a specific loan, Binhai Energy will (i) ascertain the latest loan prime rate announced by the National Interbank Funding Center authorized by the People's Bank of China, (ii) obtain quotations from at least three major commercial banks in China on the interest rates charged by them for loans of the same size and term, and (iii) compare such rates with the interest rates on its deposits placed with major commercial banks in China. After collecting all the above reference interest rates, Binhai Energy will discuss with the Project Companies the interest rate to be charged for the provision of the specific loan and set it out in the specific agreement. Pursuant to the SZSE Listing Rules, depending on the size of the specific loan or guarantee, Binhai Energy may be required to seek approval from its board of directors and/or shareholders' meeting for entering into the specific agreement.

- Binhai Energy will review the management accounts of the Project Companies on a monthly basis to monitor their financial position and operating performance, and track their repayment of debts. Binhai Energy will report to the Company on a quarterly basis on the provision of loans and guarantees under the Framework Agreement, as well as the outstanding balances of loans and guaranteed debts.

- The Company will conduct sample checks on the specific agreements entered into between Binhai Energy and the Project Companies on a quarterly basis, so as to review and assess whether the specific transactions are conducted on normal commercial terms and in compliance with the terms set out in the Framework Agreement.

The Group has assessed the repayment ability of each of the Project Companies. Although the Project Companies have not yet achieved profitability, the Directors consider that the risks associated with providing loans and guarantees to them are manageable, primarily based on the following considerations:

(i) Each of the Project Companies is currently in the early stage of project construction and capacity ramp-up. The businesses being actively developed by each of the Project Companies have promising development prospects, including Xiangfu New Energy's construction of an integrated lithium battery anode materials project and supporting facilities with an annual capacity of 200,000 tonnes in Shangdu County, Ulanqab, Inner Mongolia Autonomous Region, Xingtai New Energy's construction of a porous carbon project with an annual capacity of 1,000 tonnes in Xingtai City, Hebei Province, and Baotou Silicon Carbon's construction of a silicon-carbon anode materials project with an annual capacity of 2,000 tonnes in Baotou City, Inner Mongolia Autonomous Region. It is expected that, after these projects commence operation, they will bring stable cash flows and returns to the Project Companies;

(ii) Each of the Project Companies has a certain amount of total assets as the basis for debt repayment. As at June 30, 2026, total assets of Xiangfu New Energy, Xingtai New Energy and Baotou Silicon Carbon amounted to approximately RMB3,508 million, RMB179 million and RMB339 million, respectively;

(iii) None of the Project Companies has previously breached any loan agreements with financial institutions, or defaulted on repayment of any loans owed to financial institutions, which demonstrates their good credit history; and

(iv) Xuyang Holding provides joint and several guarantees to Binhai Energy as counter-guarantees in proportion to its shareholding in each of the Project Companies under the Framework Agreement, which further ensures the debt repayment ability of the Project Companies.

LISTING RULES IMPLICATIONS

Xuyang Holding is wholly owned by Mr. Yang Xuegang, the controlling shareholder, executive Director, chief executive officer and chairman of the Board of the Company, together with his spouse, Ms. Lu Xiaomei, who is also an executive Director. As such, Xuyang Holding is an associate of Mr. Yang Xuegang and Ms. Lu Xiaomei, and thus a connected person of the Company. The Project Companies, namely Xiangfu New Energy, Xingtai New Energy and Baotou Silicon Carbon, are non-wholly-owned subsidiaries indirectly held by the Company through Binhai Energy and are held directly or indirectly by Xuyang Holding as to 36.7%, 49% and 49%, respectively. Therefore, each of the Project Companies is a connected subsidiary of the Company. The transactions under the Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the provision of loans and/or guarantees by Binhai Energy under the Framework Agreement and the provision of loans by Risun Group under the Xiangfu Loan Agreement and the Xingtai Loan Agreement both constitute financial assistance provided by the Group to its connected subsidiaries, the Company has aggregated such transactions for the purpose of determining the applicable requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the Maximum Daily Outstanding Balance (whether calculated on a standalone basis or aggregated with the transactions under the Xiangfu Loan Agreement and the Xingtai Loan Agreement) exceed 5%, the transactions under the Framework Agreement are subject to the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The provision of joint and several guarantees by Xuyang Holding to Binhai Energy as counter-guarantees under the Framework Agreement (i) is conducted on normal commercial terms or better, and (ii) is not secured by any assets of the Group. Accordingly, the provision of the counter-guarantees by Xuyang Holding is fully exempt under Rule 14A.90 of the Listing Rules.

The Company will convene the EGM to seek approval from the Independent Shareholders for the transactions under the Framework Agreement (including the Maximum Daily Outstanding Balance). The Company has established the Independent Board Committee to advise the Independent Shareholders in respect of the transactions under the Framework Agreement (including the Maximum Daily Outstanding Balance). Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among others, details of the Framework Agreement, a letter from the Independent Board Committee, a letter from Gram Capital and a notice of the EGM, will be despatched to the Shareholders within 15 business days from the date of this announcement.

GENERAL INFORMATION

The Company is a leading integrated producer and supplier of coke, coking products, refined chemical products (including hydrogen energy products) and new energy products in the PRC, as well as a provider of related operation and management services, with customers in the PRC and overseas. The Group initially operated four production parks in Hebei Province, the PRC, and subsequently expanded its operations to other provinces in the PRC, including the Inner Mongolia Autonomous Region, Shandong Province and Jiangxi Province, and has gradually expanded its overseas business to Sulawesi Province, the Republic of Indonesia.

Binhai Energy is a company listed on the SZSE (stock code: 000695). As at the date of this announcement, Risun Group is the single largest shareholder of Binhai Energy, holding approximately 20.00% of the issued shares of Binhai Energy, and in aggregate controls the exercise of approximately 29.32% of the voting rights of the issued shares of Binhai Energy. Binhai Energy is an indirect non-wholly-owned subsidiary of the Company, and its financial statements have been consolidated into the financial statements of the Group. Binhai Energy focuses on the lithium battery anode materials business, engaging in the research and development, production and sales of artificial graphite anode materials, and simultaneously developing a range of new lithium battery materials industries including porous carbon and silicon-carbon anodes, with a commitment to becoming an outstanding service provider and material manufacturer in the lithium battery industry chain.

Xiangfu New Energy is an indirect non-wholly-owned subsidiary of the Company and is held as to approximately 63.3% and 36.7% by Binhai Energy and Xuyang Holding, respectively. Xiangfu New Energy is principally engaged in the manufacturing and sales of graphite and carbon products.

Xingtai New Energy is an indirect non-wholly-owned subsidiary of the Company and is held as to 51% by Binhai Energy and 49% indirectly by Xuyang Holding. Xingtai New Energy is principally engaged in the business of technology research and development, technical services, and technology transfer and promotion of new energy and new materials.

Baotou Silicon Carbon is an indirect non-wholly-owned subsidiary of the Company and is indirectly held as to 51% and 49% by Binhai Energy and Xuyang Holding, respectively. Baotou Silicon Carbon is principally engaged in the research and development, production, and sales of silicon-carbon materials.

Xuyang Holding is wholly owned by Mr. Yang Xuegang, the controlling shareholder, executive Director, chief executive officer and chairman of the Board of the Company, together with his spouse, Ms. Lu Xiaomei, who is also an executive Director. It is principally engaged in the development and sale of and investment in real estate, investment holding, provision of project design, construction management and general contracting services, research and development and manufacturing of water purification chemicals for sewage treatment and information technology, etc.

DEFINITIONS

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

"Baotou Silicon Carbon"	Baotou Risun Silicon Carbon Technology Co., Ltd. (包頭旭陽矽碳科技有限公司), a limited liability company incorporated in the PRC and an indirect non-wholly-owned subsidiary of the Company
"Binhai Energy"	Tianjin Binhai Energy & Development Co., Ltd. (天津濱海能源發展股份有限公司), a joint stock company incorporated in the PRC with limited liability, the shares of which are listed on the SZSE (stock code: 000695), and an indirect non-wholly-owned subsidiary of the Company
"Board"	the board of Directors of the Company
"Company"	China Risun Group Limited (中國旭陽集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 1907)
"connected person(s)"	has the meaning given to it under the Listing Rules
"connected subsidiary(ies)"	has the meaning given to it under the Listing Rules
"controlling shareholder"	has the meaning given to it under the Listing Rules
"Director(s)"	the director(s) of the Company

"EGM"	the extraordinary general meeting of the Company to be held for the purpose of considering and approving the transactions under the Framework Agreement (including the Maximum Daily Outstanding Balance)
"Framework Agreement"	the framework agreement entered into among Binhai Energy (as provider of financial assistance), the Project Companies (each as recipient of financial assistance) and Xuyang Holding (as provider of counter-guarantees) on September 23, 2026
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent board committee of the Company established for the purpose of considering the transactions under the Framework Agreement (including the Maximum Daily Outstanding Balance)
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), which has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the transactions under the Framework Agreement (including the Maximum Daily Outstanding Balance)
"Independent Shareholder(s)"	the Shareholder(s) who are not required to abstain from voting in respect of the approval of the transactions under the Framework Agreement (including the Maximum Daily Outstanding Balance) at the EGM
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Maximum Daily Outstanding Balance"	the aggregate amount of the maximum daily outstanding balance of loans (including accrued interest) provided by Binhai Energy to the Project Companies and the maximum daily outstanding balance of debts (including accrued interest) under the guarantees provided by Binhai Energy to the Project Companies under the Framework Agreement
"PRC" or "China"	the People's Republic of China, and for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
"Project Company(ies)"	Xiangfu New Energy, Xingtai New Energy and/or Baotou Silicon Carbon

"Risun Group"	Risun Group Limited (旭陽集團有限公司) (formerly known as Risun Chemicals Limited (旭陽化工有限公司)), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	the ordinary shares of HK$0.1 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning given to it under the Listing Rules
"SZSE"	the Shenzhen Stock Exchange
"SZSE Listing Rules"	the Rules Governing the Listing of Stocks on the SZSE
"Xiangfu New Energy"	Inner Mongolia Xiangfu New Energy Co., Ltd. (內蒙古翔福新能源有限責任公司), a limited liability company incorporated in the PRC and an indirect non-wholly-owned subsidiary of the Company
"Xingtai New Energy"	Xingtai Xuyang New Energy Technology Co., Ltd. (邢台旭陽新能源科技有限公司), a limited liability company incorporated in the PRC and an indirect non-wholly-owned subsidiary of the Company
"Xuyang Holding"	Xuyang Holding Limited (旭陽控股有限公司), a limited liability company incorporated in the PRC, which is wholly owned by Mr. Yang Xuegang, the controlling shareholder, executive Director, chief executive officer and chairman of the Board of the Company, together with his spouse, Ms. Lu Xiaomei, who is also an executive Director

By order of the Board
China Risun Group Limited
Yang Xuegang
Chairman

Hong Kong, September 23, 2026

As at the date of this announcement, the executive directors are Mr. Yang Xuegang, Ms. Lu Xiaomei, Mr. Li Qinghua, Mr. Han Qinliang, Mr. Wang Nianping and Mr. Yang Lu; and the independent non-executive directors are Dr. Yu Kwok Kuen Harry, Mr. Wang Yinping and Dr. Liu Xiaofeng.