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Sigenergy Technology Co., Ltd.
思格新能源股份有限公司
(formerly known as 思格新能源(上海)股份有限公司)
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6656)

PROPOSED CAPITAL RESERVE CAPITALIZATION PLAN AND PROPOSED CHANGE OF REGISTERED CAPITAL AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board hereby announces that on October 29, 2026, the Board resolved to recommend the adoption of the proposed Capital Reserve Capitalization Plan, having considered factors including the operation and financial conditions of the Company as a whole and in order to share the results of the operation and development of the Company with all Shareholders, as follows: based on the total number of issued Shares of 248,832,930 as at October 29, 2026, to issue Capitalization Shares on the basis of twenty (20) Capitalization Shares for every ten (10) Shares in issue by way of capitalization of capital reserve under the First Capitalization Issue and twenty (20) Capitalization Shares for every ten (10) Shares in issue by way of capitalization of capital reserve under the Second Capitalization Issue.

If the Company's total share capital changes on the record dates of distribution, the capitalization ratio will remain unchanged and the total number of Capitalization Shares will be adjusted accordingly. In such case, the Company will make further announcements to the Shareholders.

First Capitalization Issue

Capitalization Shares under the First Capitalization Issue will be issued on the basis of twenty (20) Capitalization Shares for every ten (10) Shares in issue by way of capitalization of capital reserve, based on the number of Shares in issue on the record date for distribution.

Based on the total Shares of 248,832,930 as at the date of this announcement, assuming no further Shares will be issued or repurchased and cancelled before the record date, the aggregate amount of Capitalization Shares under the First Capitalization Issue proposed to be distributed is 497,665,860.

Immediately upon completion of the First Capitalization Issue, the total number of Shares in issue of the Company will increase to 746,498,790 Shares. In the event of any change in the total number of issued Shares before the record date for the distribution, the capitalization ratio will remain unchanged, and the total number of new Shares to be issued under the First Capitalization Issue to all Shareholders will be adjusted accordingly.

Second Capitalization Issue

Capitalization Shares under the Second Capitalization Issue will be issued on the basis of twenty (20) Capitalization Shares for every ten (10) Shares in issue by way of capitalization of capital reserve, based on the number of Shares in issue on the record date for distribution.

Based on the then total Shares of 746,498,790 immediately upon completion of the First Capitalization Issue, assuming no further Shares will be issued or repurchased and cancelled before the record date, the aggregate amount of Capitalization Shares under the Second Capitalization Issue proposed to be distributed is 1,492,997,580.

Immediately upon completion of the Second Capitalization Issue, the total number of Shares in issue of the Company will increase to 2,239,496,370 Shares. In the event of any change in the total number of issued Shares before the record date for the distribution, the capitalization ratio will remain unchanged, and the total number of new Shares to be issued under the Second Capitalization Issue to all Shareholders will be adjusted accordingly.

Conditions to the Capitalization Issues

The Capitalization Issues are conditional on the satisfaction of the following conditions:

(a) approval of the proposed Capital Reserve Capitalization Plan by the Shareholders by way of special resolution(s) at the EGM;

(b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the new H Shares to be allotted and issued under the Capitalization Issues; and

(c) compliance with the relevant legal procedures and requirements under the Company Law and approval of the Capitalization Issues by the relevant authorities in the PRC (if so required) to effect the Capitalization Issues (including the change of registration with the competent administration in respect of the increase of the registered capital in accordance with PRC laws).

Reasons for and Benefits of the Capitalization Issues

Since its establishment, the Company's principal products have been distributed photovoltaic-energy storage integrated units for residential scenarios. Its product line has gradually expanded to C&I ESS and Utility ESS. The market size of C&I ESS and Utility ESS is significantly larger than that of RES, and these segments represent the Company's principal future growth direction. Registered capital thresholds are a condition of entry to such markets. The Company's current registered capital has become a practical obstacle to participating in certain tenders, and some existing customers have raised concerns about it. The proposed increase is intended to remove this obstacle and support the Company's business expansion in line with its development strategy.

The Company's existing registered capital is RMB24,883,293 as at the date of this announcement, which is below the thresholds required by such customers.

The Company's existing registered capital is small relative to the scale of its business. As at June 30, 2026, the share capital of the Company was approximately RMB24.9 million, while the equity attributable to shareholders of the Company was approximately RMB9.936 billion. Upon completion of the Capitalization Issues, the registered capital of the Company will represent approximately 2.3% of such equity. The Board considers that the increased registered capital will better reflect the actual scale and financial strength of the Company. This is the measure counterparties rely on at the qualification review stage.

According to the unaudited condensed consolidated statement of financial position as at June 30, 2026 as disclosed in the interim report of the Company published on September 11, 2026, share capital was approximately RMB24.9 million and reserves was approximately RMB9.912 billion, (comprising (i) capital reserve of approximately RMB4.935 billion, being the share premium of approximately RMB4.271 billion arising from the Company's initial public offering (representing the excess of the IPO issue proceeds over the par value of the newly issued shares) net of the Shares issue expenses of approximately RMB4.8 million, and RMB0.669 billion generated from historical capital increases; and (ii) retained profits of approximately RMB4.573 billion, being the opening balance of retained profits of approximately RMB2.729 billion brought forward from previous years, plus profit for the period of approximately RMB2.428 billion, less the declared final dividend for the financial year 2025 of approximately RMB0.584 billion, and (iii) other reserves, being the statutory surplus of approximately RMB62.4 million and the share option reserve of approximately RMB352.5 million, deducted by the exchange fluctuation reserve of approximately RMB11.1 million. Details of the breakdown can be referred to condensed consolidated statement of changes in equity as disclosed in the interim report of the Company published on September 11, 2026), and the equity attributable to shareholders of the Company was approximately RMB9.936 billion. The Company had sufficient capital reserve — share premium for the Capital Reserve Capitalization Plan.

Given that the Company is currently in sound operational and financial performance but the total share capital is in a relatively small size, with full consideration of the interests and reasonable demands of investors, especially minority Shareholders and under the premise of ensuring normal operations and long-term development, the Capital Reserve Capitalization Plan will enable all Shareholders to share in the Company's business achievements, contribute to the optimization of share capital structure, maintain alignment between capital expansion and performance growth, achieve deeper integration between investors and consumers, enhance stock liquidity, and improve engagement among investors.

EGM

The proposed Capital Reserve Capitalization Plan is subject to Shareholders' approval at the EGM by way of special resolution(s). The Board agrees with the Capital Reserve Capitalization Plan, and subject to the authorisation by the Shareholders' meeting, it is agreed that the Director or his/her authorised person be authorised to have the right to deal with and decide at his/her absolute discretion on the specific implementation of the Capital Reserve Capitalization Plan, including but not limited to: (i) to apply to the relevant domestic and overseas regulatory authorities, institutions and stock exchanges for review and examination, registration, filing, approval and consent and other procedures in relation to the Capital Reserve Capitalization Plan, and to apply for the listing of, and permission to deal in, the Shares to be distributed and traded on the stock exchanges; and (ii) to consider, approve and sign the documents, applications, announcements, instructions and other relevant documents in relation to the Capital Reserve Capitalization Plan, and to approve the signing, execution, amendment and supplementation of such documents.

Proposed Change of Registered Capital and Amendments to the Articles of Association

Given that the total share capital, registered capital and shareholding structure of the Company will change accordingly after the completion of the Capitalization Issues, in accordance with the Company Law and other relevant laws and regulations, the Board agreed to correspondingly update and change the registered capital of the Company and amend the Articles of Association, and, on the premise of obtaining the authorisation from the Shareholders at the EGM, agreed that the Board shall delegate the authority to the Director or his/her authorised person to approve and complete the relevant procedures.

The proposed change of registered capital and amendments to the Articles of Association are subject to the approval of the Shareholders by way of a special resolution at the EGM and registration at the administrative department for industry and commerce of the PRC. The Company will then carry out all necessary filings or registration procedures with the Companies Registry in Hong Kong pursuant to Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

Given that the total issued Shares of the Company shall increase from 248,832,930 Shares to 2,239,496,370 Shares and the registered capital shall increase from RMB24,883,293 to RMB223,949,637 after the completion of the Capitalization Issues, the Board proposed to increase the registered capital of the Company from RMB24,883,293 to RMB223,949,637 and make corresponding amendments to the Articles of Association.

Prior to the completion of the Capitalization Issues and the passing of the resolution on the change of registered capital and amendments to the Articles of Association at the EGM, the existing Articles of Association remain in force.

Further announcement(s) will be made as and when appropriate by the Company when the proposed amendments to the Articles of Association become effective.

A circular containing, among other things, details of the proposed Capital Reserve Capitalization Plan, the proposed amendments to the Articles of Association and the notice of the EGM will be published and despatched (if requested) to the Shareholders in accordance with the Listing Rules in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and phrases have the following meanings:

"Articles of Association"	the articles of association of the Company currently in force (as amended, supplemented or otherwise modified from time to time)
"Board"	the board of Directors of the Company
"Capital Reserve Capitalization Plan"	the proposed plan of the Company to capitalize its capital reserve into share capital by way of the Capitalization Issues, as approved by the Board on October 29, 2026 and subject to the approval of the Shareholders by way of special resolution at the EGM
"Capitalization Issues"	collectively, the First Capitalization Issue and the Second Capitalization Issue
"Capitalization Share(s)"	the new Shares to be allotted and issued under the Capitalization Issues

"Company"	Sigenergy Technology Co., Ltd. (思格新能源股份有限公司), formerly known as 思格新能源(上海)股份有限公司, a limited liability company established in the PRC on May 24, 2022 and converted into a joint stock limited liability company in the PRC on January 13, 2025, H Shares of which are listed on the Main Board of the Stock Exchange
"Company Law"	the Company Law of the People's Republic of China (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
"C&I ESS"	commercial and industrial energy storage system
"Director(s)"	director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the Capital Reserve Capitalization Plan
"First Capitalization Issue"	the proposed issue of twenty (20) Capitalization Shares for every ten (10) Shares in issue to all Shareholders by way of capitalization of capital reserve
"Group"	the Company and its subsidiaries
"H Share(s)"	ordinary share(s) in the ordinary share capital of the Company, with a nominal value of RMB0.1 each, which are listed on the Stock Exchange and subscribed for and traded in Hong Kong Dollars
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China
"RES"	residential energy storage
"RMB" or "Renminbi"	Renminbi Yuan, the lawful currency of the PRC

"Second Capitalization Issue"	the proposed issue of twenty (20) Capitalization Shares for every ten (10) Shares in issue to all Shareholders by way of capitalization of capital reserve subsequent to the First Capitalization Issue
"Share(s)"	ordinary shares of the Company with a nominal value of RMB0.1 each including H Shares and Unlisted Shares
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Unlisted Share(s)"	ordinary share(s) issued by the Company, which is/are not listed on any stock exchange, with a nominal value of RMB0.1 each
"Utility ESS"	utility-scale energy storage system

By Order of the Board
Sigenergy Technology Co., Ltd.
Mr. Xu Yingtong
Chairman of the Board, Executive Director and Chief Executive Officer

Hong Kong, October 29, 2026

As at the date of this announcement, the Board of the Company consists of Mr. Xu Yingtong, Mr. Zhang Xianmiao and Ms. Yang Ting as executive directors; Mr. Sun Guoqing and Mr. Wang Lin as non-executive directors; and Ms. Ng Wing Yan Claudia, Mr. Lin Jinwu and Ms. Chen Jijin as independent non-executive directors.