THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This circular is issued by Hengxin Technology Ltd. (the "**Company**"). **If you are in any doubt** as to the action you should take, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser immediately.

If you have sold or transferred all your Shares in the capital of the Company, you should at once hand this circular, the notice of the extraordinary general meeting (the "**EGM**") and attached proxy form to the purchaser or to the stockbroker or to the bank or to the agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase, or subscribe for securities of the Company.

HENGXIN TECHNOLOGY
亨鑫科技

HENGXIN TECHNOLOGY LTD.
亨鑫科技有限公司*

(carrying on business in Hong Kong as HX Singapore Ltd.)
(incorporated in Republic of Singapore with limited liability)
(Stock Code: 1085)

VERY SUBSTANTIAL ACQUISITION IN RELATION TO DELINGHA 350 MW SOLAR THERMAL PROJECT AND NOTICE OF EGM

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out from pages 5 to 57 of this circular.

A notice convening the EGM to be held at Unit 08, 43/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on 11 September 2026 (Friday) at 11:00 a.m. or any adjournment is set out from pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is enclosed.

Whether or not you are able to attend the EGM, you are requested to (a) complete and return the proxy form accompanying this circular in accordance with the instructions printed thereon appointing the chairman of the EGM as your proxy, to the Company's Principal Share Registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Shareholders registered in Singapore), or to the Company's Branch Share Registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (for Shareholders registered in Hong Kong); or (b) submit the form of proxy electronically at https://spot-emeeting.tricor.hk/#/485 in accordance with the instructions printed on the accompanying notification letter, in each case as soon as possible and in any event not later than forty-eight (48) hours before the time of the EGM (or at any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM, or any adjournment thereof, should you so wish and in such event, the form of proxy shall be deemed to be revoked.

24 August 2026

* *For identification purpose only*

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DEFINITIONS

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

"associates"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Company"	Hengxin Technology Ltd., a company incorporated in Republic of Singapore with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1085)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Consideration"	RMB4,725,705,900, being the aggregate consideration of the Transactions
"Construction Contract"	the construction contract (建築工程承包合同) dated 12 June 2026 and entered into between Qinghai Zhongkong and GCL Green Energy in respect of construction works to be carried out at the site for the Qinghai Project
"Contracts"	collectively, the Construction Contract, the Supply Contract, the Installation Contract and other ancillary contracts, agreements or documents between Qinghai Zhongkong and GCL Group relating to and in connection with the Qinghai Project
"Cosin Solar"	Cosin Solar Technology Co., Ltd.* (浙江可勝技術股份有限公司*), a joint stock limited company established under the PRC laws
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be held for the Shareholders to consider and, if thought fit, approve the transactions contemplated under the Contracts
"GCL Energy Technology"	GCL Energy Technology Co., Ltd* (協鑫能源技術有限公司), a company established under the PRC laws with limited liability and a direct wholly owned subsidiary of GCL Green Energy and therefore an indirect wholly-owned subsidiary of GCL System Integration

"GCL Green Energy"	GCL Green Energy System Technology Co., Ltd* (協鑫綠能系統科技有限公司), a company established under the PRC laws with limited liability and an indirect wholly owned subsidiary of GCL System Integration. As at the Latest Practicable Date, GCL Green Energy is owned as to 95% by GCL System Integration and 5% by Suzhou GCL
"GCL Group"	GCL System Integration and its subsidiaries from time to time (including GCL Green Energy and Lvyuan Xinneng)
"GCL System Integration"	GCL System Integration Technology Co., Ltd * (協鑫集成科技股份有限公司) a company established under the PRC laws with limited liability, whose shares are listed on the Shenzhen Stock Exchange with stock code 002506.SZ
"Group"	the Company and its subsidiaries from time to time
"Hangzhou Longkong"	Hangzhou Longkong Zhongguang Enterprise Holding Enterprise Partnership (Limited Partnership)* (杭州龍控中光企業控股合夥企業(有限合夥)), a partnership established under the PRC laws with limited liability and an indirect non-wholly-owned subsidiary of the Company
"Hengtong Group"	Hengtong Group Co., Ltd. (亨通集團有限公司)
"Hong Kong"	the Hong Kong Special Administration Region of the People's Republic of China
"Independent Third Party(ies)"	an individual(s) or a company(ies) who or which, as far as the Directors are aware after having made all reasonable enquiries, is/are not (a) connected person(s) of the Company within the meaning of the Listing Rules
"Installation Contract"	the contract for installation of equipment (設備安裝工程承包合同) dated 12 June 2026 and entered into between Qinghai Zhongkong and GCL Green Energy in respect of installation and commissioning of equipment at the Site
"Jiangsu Hengxin"	Jiangsu Hengxin Technology Co., Ltd (江蘇亨鑫科技有限公司), a company established in the PRC with limited liability and upon completion of the Disposal, Jiangsu Hengxin is owned as to 61% and 39% by the Company and Hengtong, respectively
"Latest Practicable Date"	21 August 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Lvyuan Xinneng"	Lvyuan Xinneng Technology (Suzhou) Ltd.* (綠源鑫能科技(蘇州)有限公司), a company established under the PRC laws with limited liability and an indirect wholly owned subsidiary of GCL System Integration. As at the Latest Practicable Date, Lvyuan Xinneng is owned as to 60% by GCL Green Energy and 40% by GCL Energy Technology
"PRC"	the People's Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Qinghai Project"	the Delingha 350 megawatts solar thermal project participated by Zhongguang New Energy and its subsidiaries
"Qinghai Zhongkong"	Qinghai Zhongkong Solar Power Co., Ltd.* (青海眾控太陽能發電有限公司), a company established under the PRC laws with limited liability and is a direct wholly-owned subsidiary of Zhongguang New Energy and an indirect non-wholly-owned subsidiary of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen Stock Exchange"	The Stock Exchange of Shenzhen
"Site"	the site for the Qinghai Project, located in the western part of the photovoltaic (thermal) industrial park at the western exit of Delingha City, Haixi Mongolian and Tibetan Autonomous Prefecture, Qinghai Province, the PRC (中國青海省海西蒙古族藏族自治州德令哈市西出口光伏(熱)產業園西部)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	has the meaning ascribed to it under the Listing Rules
"Suzhou GCL"	Suzhou GCL System Integration Investment Co., Ltd* (蘇州協鑫集成投資有限公司), a company established under the PRC laws with limited liability and a direct wholly owned subsidiary of GCL System Integration

"Supply Contract"	the contract for supply of equipment (設備供貨合同) dated 12 June 2026 and entered into between Qinghai Zhongkong and Lvyuan Xinneng in respect of supply of Equipment for Qinghai Project
"Transactions"	collectively, (i) the engagement of the Construction Works to be carried out by GCL Green Energy (as the contractor) by Qinghai Zhongkong pursuant to the Construction Contract and its ancillary contracts and documents; (ii) the purchase of equipment by Qinghai Zhongkong from Lvyuan Xinneng pursuant to the Supply Contract and its ancillary contracts and documents; and (iii) the engagement of the Installation Works to be carried out by GCL Green Energy (as the contractor) by Qinghai Zhongkong pursuant to the Installation Contract and its ancillary contracts and documents
"Zhongguang New Energy"	Zhejiang Zhongguang New Energy Technology Co., Ltd.* (浙江中光新能源科技有限公司), a company established under the PRC laws with limited liability and an indirect non-wholly owned subsidiary of the Company

In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

HENGXIN TECHNOLOGY LTD.
亨鑫科技有限公司*

(carrying on business in Hong Kong as HX Singapore Ltd.)
(incorporated in Republic of Singapore with limited liability)
(Stock Code: 1085)

Executive directors:
Mr. Peng Yinan
Mr. Lau Fai Lawrence

Non-executive directors:
Mr. Cui Wei *(Chairman)*
Mr. Tao Shunxiao
Mr. Zeng Guowei

Independent non-executive directors:
Mr. Qian Ziyan
Ms. Lin Ting
Mr. Chan Hon Chung Johnny

Registered office:
460 Alexandra Road
#28-01 mTower
Singapore 119963

Head office and principal place of business in Singapore:
460 Alexandra Road
#28-01 mTower
Singapore 119963

24 August 2026

To: The Shareholders of Hengxin Technology Ltd.

Dear Sir/Madam,

VERY SUBSTANTIAL ACQUISITION IN RELATION TO DELINGHA 350 MW SOLAR THERMAL PROJECT AND NOTICE OF EGM

INTRODUCTION

Reference is made to the announcement of the Company dated 12 June 2026 in relation to the Transactions. On 12 June 2026, Qinghai Zhongkong (an indirect non-wholly owned subsidiary of the Company) entered into the following Contracts with the following companies from GCL Group for the purpose of the Qinghai Project, with the aggregate contract price being RMB4,725,705,900 (inclusive of tax): (I) The Construction Contract with GCL Green Energy as the contractor, in respect of the construction works to be carried out at

* *For identification purpose only*

the Site; (II) The Supply Contract with Lvyuan Xinneng as the supplier, in respect of supply and purchase of equipment essential for the construction and operation of the Qinghai Project; and (III) The Installation Contract with GCL Green Energy as the contractor, in respect of the installation and commissioning of the equipment at the Site.

The purpose of this circular is to provide you with, among others, (i) further information on the Transactions; (ii) the letter of recommendation from the Board regarding the Contracts and the transactions contemplated thereunder; (iii) other information as required under the Listing Rules; and (iv) a notice of the EGM.

(I) THE CONSTRUCTION CONTRACT

The principal terms of the Construction Contract are set out below:

Date of the contract: 12 June 2026

Parties:

(1) Qinghai Zhongkong

(2) GCL Green Energy

Subject matter: The construction works (the "**Construction Works**") to be carried out by GCL Green Energy at the Site shall include, without limitation, the following works:

(i) Earthwork and rock excavation (including site formation works), flood control works, and factory perimeter fencing in the plant and construction areas（廠區和施工區土石方工程（包含場地平整工程）、防洪工程及廠區圍欄）(collectively "**Site Formation Works (場地平整工程)**");

(ii) Construction of heliostat field foundation, including drilling of cast-in-place piles; cast-in-place concrete piles; and reinforcing steel fabrication and installation, etc.（定日鏡場基礎施工,包括灌注樁鑽孔、混凝土灌注樁及鋼筋製作與安裝等）(collectively "**Heliostat Field Foundation Construction (定日鏡場基礎施工)**"); and

(iii) various temporary works, including construction of power supply (power supply lines and distribution equipment for temporary construction power supply, etc.); temporary construction works (including the design, procurement, and construction of temporary construction works for the construction command headquarters, guardhouse, etc); construction of roads and water source.（各項臨時工程,包括建設施工電源（施工臨時用電的供電線路及配電設備等）;臨建工程（含建設指揮部臨建工程、門衛室等設計、採購及施工等）;施工道路及施工水源）(collectively "**Temporary Works (臨時工程)**").

Total contract price:

RMB219,789,500 (inclusive of 9% tax) (which is subject to final determination upon completion of the underlying construction works and the adjustments in accordance with the terms and conditions in the Construction Contract) consists of the following components:

(a) RMB113,077,400, being the price for the Site Formation Works ("**Site Formation Price (場地平整工程費)**");

(b) RMB85,802,500, being the price for the Heliostat Field Foundation Construction ("**Heliostat Field Foundation Construction Price (定日鏡場基礎施工費)**");

(c) RMB16,600,000, being the price for various temporary works (各項臨時工程費) ("**Temporary Work Price (各項臨時工程費)**"; and

(d) RMB4,309,600, being the contracting service and management fee (承包服務及管理費).

Payment Term:

The Construction Contract shall become effective after the Company (as the indirect holding company of Qinghai Zhongkong) has obtained the Shareholders' approval of the Construction Contract and the transactions contemplated thereunder.

Safety Production fee (安全生產費)

In order to ensure GCL Green Energy's commitment to safe and civilized construction, Qinghai Zhongkong will reserve 2.5% of the price of the completed work for each interim payment as a reserved safety production fee (預留安全生產費). Payment of such reserved safety production fee will be subject to the confirmation by Qinghai Project owner's and Qinghai Zhongkong's confirmation of GCL Green Energy's investment in on-site safety facilities and civilized construction (青海項目法人及青海眾控對協鑫綠能現場安全設施的投入及文明施工確認意見), or on the Qinghai Project owner's and Qinghai Zhongkong's valuation of on-site safety facilities and civilized construction for the relevant month (青海項目法人及青海眾控對當月現場安全設施及文明施工驗收計價). Payment of the reserved safety production fee will be made in the next following month after the Qinghai Project owner and Qinghai Zhongkong jointly sign a payment agreement (同意支付意見書).

If Qinghai Zhongkong considers GCL Green Energy's investment in relevant safety facilities insufficient or rectification untimely, Qinghai Zhongkong has the right to purchase or implement them independently, and the resulting costs will be deducted from the reserved safety production fee by Qinghai Zhongkong in any form.

The contract price for the Construction Contract shall be paid by Qinghai Zhongkong to GCL Green Energy in accordance with the following timelines:

(a) Within 21 days after (i) the signing of the Construction Contract, (ii) the Construction Contract becoming effective (i.e. the Company, as the indirect holding company of Qinghai Zhongkong, has obtained the Shareholders' approval of the Construction Contract and the transactions contemplated thereunder), and (iii) receipt of payment request from GCL Green Energy, prepayment (預付款) in the amount of RMB54,947,375 (equivalent to 25% of the total contract price for the Construction Contract) shall become payable;

(b) Subject to the reservation of 2.5% as safety production fee (安全生產費) upon each payment of the following instalments, the Site Formation Price (including the work management fee (工程管理費)) shall be paid by instalments as follows:

(i) 50% shall be payable upon completion of 50% of the cut-and-fill volume of the contracted section (標段挖填方量), acceptance (驗收) and confirmation by Qinghai Zhongkong and within 10 days after receipt of VAT invoice;

(ii) 10% shall be payable upon completion of all Site Formation Works, passing the acceptance (驗收) by Qinghai Zhongkong and within 10 days after receipt of VAT invoice;

(iii) 10% shall be payable upon completion of all Site Formation Works and 3 months after passing the acceptance (驗收) by Qinghai Zhongkong;

(iv) 5% shall be payable after expiry of the twelve-month warranty (十二個月質保期) and subject to fulfilment of the warranty obligations by GCL Green Energy;

(c) Subject to the reservation of 2.5% as safety production fee (安全生產費) upon each payment of the following instalments, the Heliostat Field Foundation Construction Price (including the work management fee (工程管理費)) shall be paid by instalments as follows:

(i) 50% shall be payable upon completion of 50% of the Heliostat Field Foundation Construction, acceptance (驗收) and confirmation by Qinghai Zhongkong and within 10 days after receipt of VAT invoice;

(ii) 10% shall be payable upon completion of all works for Heliostat Field Foundation Construction, passing the acceptance (驗收) by Qinghai Zhongkong and within 10 days after receipt of VAT invoice;

(iii) 10% shall be payable upon completion of all works for Heliostat Field Foundation Construction and 3 months after passing the acceptance (驗收) by Qinghai Zhongkong;

(iv) 5% shall be payable after expiry of the twelve-month warranty (十二個月質保期) and subject to fulfilment of the warranty obligations by GCL Green Energy;

(d) Subject to the reservation of 2.5% as safety production fee (安全生產費) upon each payment of the following instalments, the Temporary Work Price shall be paid by instalments as follows:

(i) 50% shall be payable upon completion of 50% of the Temporary Works, acceptance (驗收) and confirmation by Qinghai Zhongkong and within 10 days after receipt of VAT invoice;

(ii) 10% shall be payable upon completion of all Temporary Works, passing the acceptance (驗收) by Qinghai Zhongkong and within 10 days after receipt of VAT invoice;

(iii) 10% shall be payable upon completion of all Temporary Works and 3 months after passing the acceptance (驗收) by Qinghai Zhongkong;

(iv) 5% shall be payable after expiry of the twelve-month warranty (十二個月質保期) and subject to fulfilment of the warranty obligations by GCL Green Energy;

(e) The remaining balance of the price for the Construction Works shall be finally determined and settled after the expiry of the twelve-month defects liability period (缺陷責任期) which shall commence after the completion of all Construction Works and the Construction Works actually passing acceptance (驗收) by Qinghai Zhongkong.

Conditions Precedent: The conditions precedent of the Construction Contract are:

(a) The Construction Contract being signed by the authorized representatives of both parties (i.e. Qinghai Zhongkong and GCL Green Energy) and stamped with the official seals (公章) of both parties; and

(b) Approval from the Shareholders of the Construction Contract and the transactions contemplated thereunder being obtained.

As at the Latest Practicable Date, the condition precedent (a) has been fulfilled.

Adjustment mechanism for the total contract price:

Adjustment events

The Construction Contract adopts fixed all-inclusive unit rates and a provisional total contract price of RMB219,789,500. The final contract price will be determined based on the actual quantities of work completed and measured, applying the relevant fixed all-inclusive unit rates, together with the additions or deductions arising from the contractual adjustment mechanisms set out below. Except for the agreed adjustment items, the fixed all-inclusive unit rates shall not be adjusted. The provisional total contract price shall in principle not be exceeded, save for special circumstances separately agreed by the parties.

The total contract price under the Construction Contract will be adjusted accordingly if any of the following events occurs:

(1) Price fluctuations resulting in changes to the costs of the following "installation type" materials: rebar and steel structure (物價變化導致以下裝置性材料產生價格變化:鋼筋和鋼結構) ("**Price Fluctuations (物價變化)**");

(2) Change of work (工程變更) ("**Change of Work**"):

(a) increases or decreases in construction and installation costs resulting from a single engineering change order (單項工程變更單引起的建築安裝工程費增減); or

(b) changes to items in the tendered bill of quantities (priced bill of quantities) resulting from engineering changes other than design changes (設計變更之外工程變更引起招標工程量清單(已標價工程量清單)項目發生變化);

(3) where the project characteristics (項目特徵) in the final version of the construction drawings (最終版施工圖紙) are inconsistent with or differ from those in the bill of quantities in the tender (招標工程量清單) and such inconsistency or difference(s) give(s) rise to a change of the total contract price ("**Difference in Project Characteristics (項目特徵描述不符)**");

(4) during the performance of the Construction Contract, addition of new item of work by reason of any item(s) being missed or omitted in the bill of quantities in the tender (priced bill of quantities) (合同履行期間,由於招標工程量清單(已標價工程量清單)中缺、漏項,新增工程量清單項目的) ("**Missing or Omitted Items in the Bill of Quantities (工程量清單缺、漏項)**");

(5) estimated price (暫估價) for materials (材料), work equipment (工程設備) and specialized engineering (專業工程), in which case, the total contract price will be subject to adjustment by the results of legally mandatory tender (依法進行之招標結果), confirmation by supervisor (監理人) or estimation by supervisor (監理人) (as the case may be);

(6) construction work orders and miscellaneous work requests (工程簽證及零星委託) ("**Miscellaneous work (零星工程)**");

(7) quantity deviations in respect of items included in the priced bill of quantities, in which case the final contract price shall be adjusted based on the actual quantities measured in accordance with the Construction Contract, while the relevant fixed all-inclusive unit rates shall remain unchanged ("**Quantity Deviations (工程量偏差)**");

(8) provisional sums (暫列金額), which may only be used in accordance with the instructions of Qinghai Zhongkong, with any unused balance to be deducted from the final contract price and retained by Qinghai Zhongkong ("**Provisional Sums (暫列金額)**");

(9) force majeure event;

(10) delay compensation (誤期賠償), payable by GCL Green Energy where GCL Green Energy fails to carry out the construction work pursuant to the terms of the Construction Contract, resulting in a delay in completion of the work, at 0.2% of the signed contract price for each day of delay in respect of each delayed project milestone;

(11) claims (索賠) by GCL Green Energy, where any event occurs under the Construction Contract which entitles GCL Green Energy to additional payment and/or an extension of time, provided that GCL Green Energy shall file its claim and provide proof in accordance with the terms of the Construction Contract; or

(12) claims (索賠) by Qinghai Zhongkong, where the compensation to which Qinghai Zhongkong is entitled (as determined by the supervisor (監理人)) shall be deducted from the total contract price payable to GCL Green Energy.

Calculation methodology for adjustment:

In the case of Price Fluctuations (物價變化), the magnitude of the price adjustment is calculated using the following formula; the resulting amount will be added to the contract price where prices rise and deducted from the contract price where prices fall. The formula below does not apply if $|P - P0|/P \leq 5\%$:

$$\Delta P = (|P - P0| - 5\% \times P0) \times Q \times (1 + X)$$

Where:

ΔP = The price difference requiring adjustment for a specific material;

P = The arithmetic mean of the unit price (excluding tax) for the sampled variety of the material during the adjustment period, as listed in the Qinghai Province Delingha City Construction Cost Information (調整期內某種材料對應的取樣品種在《青海省德令哈市工程造價信息》中的單價(不含稅)算術平均值);

P0 = The unit price (excluding tax) for the sampled type of the material during the month the contract was signed, as listed in the Qinghai Province Delingha City Construction Cost Information (某種材料對應的取樣品種在《青海省德令哈市工程造價信息》合同簽訂月的單價(不含稅));

Q = The quantity of work based on the as-built drawings for this item (本項工程的竣工圖工程量);

X = Tax rate (the invoicing tax rate applicable to the contractor (承包人的開票稅率)).

Notes:

a) Adjustment period: Defined by the commencement and end dates of the work covered by this item as recorded in the employer's construction log.

b) Precondition for adjustment: No adjustment is made when $|(P - P0)/P| \leq 5\%$; when $|(P - P0)/P| > 5\%$, the difference is calculated and the adjustment is made according to the formula above.

c) Sampled type (取樣品種): Price adjustments for this principal material are permitted only when the prices of the following specific varieties change:

Rebar (鋼筋) – "Hot-rolled ribbed steel bar HRB400" ("**熱軋帶肋鋼筋HRB400**");

Steel structure (鋼結構) – Hot-rolled I-beam (Q235B composite) (熱軋工字鋼(Q235B綜合)).

Taking rebar as an example: When $|P - P0|/P > 5\%$ for hot-rolled ribbed steel bar HRB400, the condition for price adjustment is met; the price change data for HRB400 rebar may then be used to calculate the ΔP for the entire rebar component.

d) Timing of adjustment: Adjustment shall be made on a one-time basis at the time of final settlement upon completion; no adjustments shall be made at other times.

In the case of Quantity Deviations (工程量偏差), the final contract price shall be adjusted based on the actual quantities measured in accordance with the Construction Contract, while the relevant fixed all-inclusive unit rates shall remain unchanged.

In the case of Provisional Sums (暫列金額), any amount used upon the instructions of Qinghai Zhongkong shall be included in the final contract price, while any unused balance shall be deducted from the final contract price and retained by Qinghai Zhongkong.

In the case of Change of Work (工程變更), Difference in Project Characteristics (項目特徵描述不符), Missing or Omitted Items in the Bill of Quantities (工程量清單缺、漏項), Miscellaneous work (零星工程), the following mechanism is applicable:

(a) No adjustment shall be made where the absolute increase or decrease arising from an individual variation order is less than RMB5,000 (excluding equipment costs (設備費) and the cost of materials supplied by Qinghai Zhongkong (甲供材料費)).

(b) Where such absolute increase or decrease is equal to or greater than RMB5,000 (excluding equipment costs (設備費) and the cost of materials supplied by Qinghai Zhongkong (甲供材料費)), the full amount shall be adjusted accordingly (全額調整).

In the case of estimated prices (暫估價) for materials, work equipment and specialized engineering, the adjustment shall be equal to the difference between the successful tender price, confirmed price or estimated price (as applicable) and the corresponding estimated amount stated in the bill of quantities, together with the applicable tax.

Delay compensation shall be calculated at 0.2% of the signed contract price for each day of delay in respect of each delayed project milestone. Where more than one milestone is delayed, the delay compensation shall be calculated cumulatively. If GCL Green Energy subsequently catches up with the project schedule and achieves the relevant subsequent control milestone, the delay compensation previously deducted shall be returned in accordance with the Construction Contract.

In the case of claims, any additional payment to GCL Green Energy or deduction in favour of Qinghai Zhongkong shall be reviewed and determined by the supervisor in accordance with the contractual claims procedure and the supporting records and documents.

If a force majeure event gives rise to a delay in completion of the work, the completion date will be reasonably extended and GCL Green Energy will not be required to pay delay compensation arising solely from the force majeure event. The resulting costs and losses will be allocated between the parties in accordance with the Construction Contract, including that certain losses relating to the permanent works and materials or equipment supplied by Qinghai Zhongkong, reasonable costs of protecting, cleaning and repairing the works, and acceleration costs incurred at the request of Qinghai Zhongkong will be borne by Qinghai Zhongkong, while losses relating to GCL Green Energy's own equipment and suspension losses will generally be borne by GCL Green Energy.

Maximum and minimum contract prices: The provisional total contract price under the Construction Contract is RMB219,789,500 and shall in principle not be exceeded. However, as the parties may separately agree adjustments in special circumstances, the Construction Contract does not prescribe an absolute maximum contract price. No fixed minimum contract price is stipulated.

Special circumstances which give rise to price adjustment:

The clause to the effect that "the provisional total contract price shall in principle not be exceeded, save for special circumstances separately agreed by the parties" is a standard provision found in model engineering, procurement and construction (EPC) contract, not a special arrangement for the Construction Contract.

Special circumstances which trigger price adjustments are as set out above, namely: Price Fluctuations (物價變化), Change of Work (工程變更), Difference in Project Characteristics (項目特徵描述不符), Missing or Omitted Items in the Bill of Quantities (工程量清單缺、漏項) and Miscellaneous work (零星工程).

Any price adjustments shall either be in accordance with the terms of the Construction Contract or agreed by both parties.

Since the signing of the contract up to the Latest Practicable Date, none of the special circumstances which trigger contract price adjustment has occurred.

(II) THE SUPPLY CONTRACT

The principal terms of the Supply Contract are set out below:

Date of the contract: 12 June 2026

Parties:

(1) Qinghai Zhongkong as purchaser

(2) Lvyuan Xinneng as supplier

Equipment: Lvyuan Xinneng shall supply the equipment (the "**Equipment**" or the "**Products**") for the following systems which are essential for the construction and operation of the Qinghai Project, including but not limited to the following:

(A) Equipment for the Concentrating Solar Thermal System (聚光集熱系統設備):

(1) Heliostat Field Equipment: Reflector equipment, etc. (定日鏡場設備:反射鏡設備等);

(2) Heat Absorber System Equipment: absorber body system, absorber elevator, absorber tower elevator, etc. (吸熱系統設備:吸熱器本體系統、吸熱器電梯、吸熱塔電梯等);

(B) Equipment for the Thermal Storage System (儲熱系統設備):

(1) System Equipment: Low-temperature molten salt storage tank, high-temperature molten salt storage tank, molten salt circulation pump for absorber, temperature regulating pump, etc. (系統設備:低溫熔鹽儲罐、高溫熔鹽儲罐、吸熱器熔鹽循環泵、調溫泵等);

(2) Electric Heater: Electric heater for low-temperature molten salt storage tank (電加熱器:低溫熔鹽儲罐電加熱器);

(3) Ventilation and cooling equipment and ductwork for storage tank foundation (儲罐基礎通風冷卻設備及風管);

(4) Molten salt (熔鹽);

(5) Molten salt melting and tank preheating (熔鹽熔化及罐體預熱);

(6) Valves on the molten salt side throughout the field, etc (全場熔鹽側閥門等);

(C) Equipment for Steam Generation System (蒸汽發生系統設備):

(1) Steam generation system equipment: steam generator, preheater, evaporator, superheater, reheater, steam drum, electric heater, circulating pump, etc. (蒸汽發生系統設備:蒸汽發生器、預熱器、蒸發器、過熱器、再熱器、汽包、電加熱器、循環泵等)

(D) Equipment for Thermal System (excluding steam turbine generator set) (熱力系統設備(不含汽輪機發電機組)):

(1) Steam turbine generator auxiliary equipment: high pressure heater, low pressure heater, condensate pump, bypass system, deaerator feedwater device, other auxiliary equipment

of steam turbine, etc. (汽輪發電機輔助設備:高壓加熱器、低壓加熱器、凝結水泵、旁路系統、除氧給水裝置、汽輪機其他輔機等);

(E) Equipment for Water Treatment System (水處理系統設備):

(1) Makeup water treatment system equipment (補給水處理系統設備);

(2) Condensate polishing system equipment (凝結水精處理系統設備);

(3) Condensate polishing pipelines (凝結水精處理管道);

(4) Circulating water treatment system equipment (循環水處理系統設備);

(5) Chemical dosing system equipment (化學加藥系統設備);

(6) Steam and water sampling system equipment, etc. (汽水取樣系統設備);

(F) Equipment for Water Supply System (供水系統設備)

(1) Condenser cooling system (direct air cooling) equipment (凝汽器冷卻系統 (直接空冷)設備);

(2) Water supply system anti-corrosion equipment, etc. (供水系統防腐設備等);

(G) Equipment for Electrical System (電氣系統設備)

(1) Generator electrical and lead-out equipment (發電機電氣與引出線設備);

(2) Main transformer system equipment (主變壓器系統設備);

(3) Power distribution equipment (配電裝置設備);

(4) Main control and DC system equipment (主控及直流系統設備);

(5) Plant power system equipment (廠用電系統設備);

(6) Cables and auxiliary facilities equipment (電纜及輔助設施設備);

(7) Plant communication system equipment (廠內通信系統設備);

(H) Equipment for Instrumentation and Control System (儀錶與控制系統設備)

(1) Plant-level monitoring system equipment (廠級監控系統設備);

(2) Distributed control system and simulation system equipment (分散控制系統、仿真系統設備);

(3) Plant-wide closed-circuit television and plant-wide access control system equipment (全廠閉路電視、全廠門禁系統設備);

(4) Power generation prediction system, unit control device, field instruments and actuators, electric door control and protection cabinet, auxiliary workshop control system and instruments, etc. (發電功率預測系統、機組成套控制裝置、現場儀錶及執行機構、電動門控制保護屏櫃、輔助車間控制系統及儀錶等設備);

(5) Cables and auxiliary facilities, etc. (電纜及輔助設施等);

(I) Equipment for Auxiliary Production Engineering (附屬生產工程設備)

(1) Air compressor station, oil treatment system, integrated water pump room and equipment (空壓機站、油處理系統、綜合水泵房及設備);

(2) Instruments and equipment for chemical laboratory, thermal laboratory, and environmental monitoring station (化學實驗室、熱工實驗室、環境監測站儀器設備);

(3) Industrial wastewater treatment, domestic sewage treatment, chemical wastewater treatment system, and unit drainage tank equipment (工業廢水處理、生活污水處理、化學廢水處理系統及機組排水槽設備);

(4) Fire pump room equipment and pipelines, fire trucks, and rainwater pump room equipment, etc. (消防水泵房設備及管道、消防車、雨水泵房設備).

Total contract price: RMB4,192,496,700 (inclusive of 13% tax)

Payment Term: Both Qinghai Zhongkong and Lvyuan Xinneng agree that the Company (as the indirect holding company of Qinghai Zhongkong) is subject to the notification, announcement, circular and shareholder's approval requirements under Chapter 14 of the Listing Rules and therefore the Supply Contract shall become effective after completion of the aforesaid procedures by the Company (including but not limited to the Company having obtained the approval from the Shareholders).

Before the Supply Contract becomes effective, Qinghai Zhongkong is not required to make any payment to Lvyuan Xinneng.

The contract price for the Supply Contract shall be paid by Qinghai Zhongkong to Lvyuan Xinneng in accordance with the following timeline:

(a) Upon the Supply Contract becoming effective (i.e. the Company having obtained the approval from the Shareholders) and receipt of receipts from Lvyuan Xinneng, RMB1,257,749,010 (equivalent to 30% of the total contract price for the Supply Contract), being the prepayment (預付款) shall become payable;

(b) Upon the witnessing and written confirmation by Qinghai Zhongkong, RMB1,257,749,010.00 (equivalent to 30% of the total contract price for the Supply Contract), being the payments for materials (投料款) shall become payable;

(c) Upon delivery of all Products to the Site, the products passing acceptance upon delivery (到貨驗收合格) and receipt of a full VAT invoice from Lvyuan Xinneng, RMB838,499,340 (equivalent to 20% of the total contract price for the Supply Contract), being the payment on delivery (到貨款) shall become payable;

(d) After all Products pass preliminary acceptance (初步驗收合格), an aggregate of RMB628,874,505 (equivalent to 15% of the total contract price for the Supply Contract), being the payment for initial acceptance (初驗款) shall be paid by Qinghai Zhongkong to Lvyuan Xinneng by instalments; and

(e) After all Products pass final acceptance and the buyer receives the quality guarantee letter (質量保函) as stipulated in the Supply Contract, an aggregate of RMB209,624,835 (equivalent to 5% of the total contract price for the Supply Contract), being the payment for final acceptance (終驗款) shall be paid by Qinghai Zhongkong to Lvyuan Xinneng by instalments.

Conditions Precedent: The conditions precedent of the Supply Contract are:

(a) The Supply Contract being signed by the authorized representatives of both parties (i.e. Qinghai Zhongkong and Lvyuan Xinneng) and stamped with the official seals (公章) of both parties; and

(b) Approval from the Shareholders of the Supply Contract and the transactions contemplated thereunder being obtained.

As at the Latest Practicable Date, the condition precedent (a) has been fulfilled.

(III) THE INSTALLATION CONTRACT

The principal terms of the Installation Contract are set out below:

Date of the contract: 12 June 2026

Parties:

(1) Qinghai Zhongkong

(2) GCL Green Energy as contractor (承包人)

Subject matter: The installation and commissioning works (the "**Installation Works**") to be carried out by GCL Green Energy at the Site shall include, without limitation, the following:

(A) Installation and commissioning of the reflector system equipment (反射鏡系統設備安裝調試)

(1) Installation and commissioning of the mirror body and transmission device (鏡體、傳動裝置的安裝調試);

(2) Installation and commissioning of the heliostat support wire harness (定日鏡立柱線束安裝調試);

(3) Installation and commissioning of the mirror field electrical equipment, control system, cables and auxiliary facilities (鏡場電氣設備、控制系統、電纜及輔助設施安裝調試);

(4) Installation and commissioning of the calibration system, monitoring system, meteorological system equipment, etc (校正系統、監控系統、氣象系統設備安裝調試等);

(B) Installation and commissioning of Equipment for Water Treatment System (水處理系統設備安裝調試)

(1) Installation and commissioning of the makeup water treatment system equipment (補給水處理系統設備安裝調試);

(2) Installation and commissioning of the condensate polishing system equipment (凝結水精處理系統安裝調試);

(3) Installation and commissioning of the condensate polishing pipelines (凝結水精處理管道安裝調試);

(4) Installation and commissioning of the circulating water treatment system equipment (循環水處理系統設備安裝調試);

(5) Installation and commissioning of the chemical dosing system equipment (化學加藥系統設備安裝調試);

(6) Installation and commissioning of the steam and water sampling system equipment (汽水取樣系統設備安裝調試);

(7) Installation and commissioning of the pipelines in the plant area, etc (廠區管道安裝及調試等);

(8) Thermal insulation paint, etc. (保溫油漆等)

(C) Installation and commissioning of Equipment for Water Supply System (供水系統設備安裝調試)

(1) Installation and commissioning of the condenser cooling system (direct air cooling) equipment (凝汽器冷卻系統 (直接空冷)設備安裝調試);

(2) Installation and commissioning of the water supply system anti-corrosion equipment, etc. (供水系統防腐設備安裝調試等);

(D) Installation and commissioning of Equipment for Electrical System (電氣系統設備安裝調試)

(1) Installation and commissioning of the generator electrical and lead-out equipment (發電機電氣與引出線設備安裝調試);

(2) Installation and commissioning of the main transformer system equipment (主變壓器系統設備安裝調試);

(3) Installation and commissioning of the power distribution equipment (配電裝置設備安裝調試);

(4) Installation and commissioning of the main control and DC system equipment (主控及直流系統設備安裝調試);

(5) Installation and commissioning of the plant power system equipment (廠用電系統設備安裝調試);

(6) Installation and commissioning of the cables and auxiliary facilities equipment (電纜及輔助設施設備安裝調試);

(7) Installation and commissioning of the plant communication system equipment (廠內通信系統設備安裝調試);

(E) Installation and commissioning of Equipment for Instrumentation and Control System (儀錶與控制系統設備安裝調試)

(1) Installation and commissioning of the plant-level monitoring system equipment (廠級監控系統設備安裝調試);

(2) Installation and commissioning of the distributed control system and simulation system equipment (分散控制系統、仿真系統設備安裝調試);

(3) Installation and commissioning of the plant-wide closed-circuit television and plant-wide access control system equipment (全廠閉路電視、全廠門禁系統設備安裝調試);

(4) Installation and commissioning of the power generation prediction system, unit control device, field instruments and actuators, electric door control and protection cabinet, auxiliary workshop control system and instruments, etc. (發電功率預測系統、機組成套控制裝置、現場儀錶及執行機構、電動門控制保護屏櫃、輔助車間控制系統及儀錶等設備安裝調試);

(5) Installation and commissioning of the cables and auxiliary facilities, etc. (電纜及輔助設施安裝調試);

(F) Installation and commissioning of Equipment for Auxiliary Production Engineering (附屬生產工程設備安裝調試)

(1) Installation and commissioning of the air compressor station, oil treatment system, integrated water pump room (空壓機站、油處理系統、綜合水泵房安裝調試);

(2) Installation and commissioning of the instruments and equipment for chemical laboratory, thermal laboratory, and environmental monitoring station (化學實驗室、熱工實驗室、環境監測站儀器設備安裝調試);

(3) Installation and commissioning of the industrial wastewater treatment, domestic sewage treatment, chemical wastewater treatment system, and unit drainage tank equipment (工業廢水處理、生活污水處理、化學廢水處理系統及機組排水槽設備安裝調試);

(4) Installation and commissioning of the fire pump room equipment and pipelines, fire trucks, and rainwater pump room equipment, etc. (消防水泵房設備及管道、消防車、雨水泵房設備安裝調試).

Total contract price: RMB313,419,700 (inclusive of 9% tax) (which is subject to final determination upon completion of all underlying installation works and the adjustments in accordance with the terms and conditions in the Installation Contract)

Payment Term: The Installation Contract shall become effective after the Company (as the indirect holding company of Qinghai Zhongkong) has obtained the Shareholders' approval of the Installation Contract and the transactions contemplated thereunder.

Safety Production fee (安全生產費)

In order to ensure GCL Green Energy's commitment to safe and civilized construction, Qinghai Zhongkong will reserve 2.5% of the price of the completed work for each interim payment as a reserved safety production fee (預留安全生產費). Payment of such reserved safety production fee will be subject to the confirmation by the Qinghai Project owner and Qinghai Zhongkong on GCL Green Energy's investment in on-site safety facilities and civilized construction（青海項目法人及青海眾控對協鑫綠能現場安全設施的投入及文明施工確認意見）, or the valuation by the Qinghai Project owner and Qinghai Zhongkong on on-site safety facilities and civilized construction for the relevant month（青海項目法人及青海眾控對當月現場安全設施及文明施工驗收計價 ）. Payment of the reserved safety production fee will be made in the next following month after the Qinghai Project owner and Qinghai Zhongkong jointly sign a payment agreement（同意支付意見書）.

If Qinghai Zhongkong considers GCL Green Energy's investment in relevant safety facilities insufficient or rectification untimely, Qinghai Zhongkong has the right to purchase or implement them independently, and the resulting costs will be deducted from the reserved safety production fee by Qinghai Zhongkong in any form.

The contract price for the Installation Contract shall be paid by Qinghai Zhongkong to GCL Green Energy in accordance with the following timelines:

(a) Within 21 days after (i) the signing of the Installation Contract, (ii) the Installation Contract becoming effective (i.e. the Company, as the indirect holding company of Qinghai Zhongkong, has obtained the Shareholders' approval of the Installation Contract and the transactions contemplated thereunder), and (iii) receipt of payment request from GCL Green Energy, prepayment (預付款) in the amount of RMB78,354,925 (equivalent to 25% of the total contract price for the Installation Contract) shall become payable;

(b) Subject to the reservation of 2.5% as safety production fee (安全生產費), RMB156,709,850 (equivalent to 50% of the total contract price for the Installation Contract) shall be payable upon completion of 50% of the Installation Works, acceptance (驗收) and confirmation by Qinghai Zhongkong and within 10 days after receipt of VAT invoice;

(c) Subject to the reservation of 2.5% as safety production fee (安全生產費), RMB31,341,970 (equivalent to 10% of the total contract price for the Installation Contract) shall be payable upon completion of all Installation Works, passing the acceptance (驗收) by Qinghai Zhongkong and within 10 days after receipt of VAT invoice;

(d) Subject to the reservation of 2.5% as safety production fee (安全生產費), RMB31,341,970 (equivalent to 10% of the total contract price for the Installation Contract) shall be payable upon completion of the Installation Works and 3 months after passing the acceptance (驗收) by Qinghai Zhongkong;

(e) 5% shall be payable after expiry of the twelve-month warranty (十二個月質保期) and subject to fulfilment of the warranty obligations by GCL Green Energy; and

(f) The price for the Installation Works shall be finally determined and settled after the expiry of the twelve-month defects liability period (缺陷責任期) which shall commence after the completion of all Installation Works and the actual passing of acceptance (驗收) by Qinghai Zhongkong.

Conditions Precedent: The conditions precedent of the Installation Contract are:

(a) The Installation Contract being signed by the authorized representatives of both parties (i.e. Qinghai Zhongkong and GCL Green Energy) and stamped with the official seals (公章) of both parties; and

(b) Approval from the Shareholders of the Installation Contract and the transactions contemplated thereunder being obtained.

As at the Latest Practicable Date, the condition precedent (a) has been fulfilled.

Adjustment mechanism for the total contract price:

Adjustment events

The Installation Contract adopts fixed all-inclusive unit rates. The final contract price will be determined based on the actual quantities of the Installation Works completed and measured, applying the relevant fixed all-inclusive unit rates, together with the additions or deductions arising from the contractual adjustment mechanisms set out below. Except for the agreed adjustment items, the fixed all-inclusive unit rates shall not be adjusted.

The total contract price under the Installation Contract will be adjusted accordingly if any of the following events occurs:

(1) Price Fluctuations (物價變化) resulting in changes to the costs of the following "installation type" materials: rebar and steel structure (物價變化導致以下裝置性材料產生價格變化:鋼筋和鋼結構);

(2) Change of Work (工程變更):

(a) increases or decreases in construction and installation costs resulting from a single engineering change order (單項工程變更單引起的建築安裝工程費增減); or

(b) changes to items in the tendered bill of quantities (priced bill of quantities) resulting from engineering changes other than design changes (設計變更之外工程變更引起招標工程量清單(已標價工程量清單)項目發生變化);

(3) where the project characteristics (項目特徵) in the final version of the construction drawings (最終版施工圖紙) are inconsistent with or differ from those in the bill of quantities in the tender (招標工程量清單)

and such inconsistency or difference(s) give(s) rise to a change of the total contract price (Difference in Project Characteristics (項目特徵描述不符));

(4) during the performance of the Installation Contract, addition of a new item of work by reason of any item(s) being missed or omitted in the bill of quantities in the tender (priced bill of quantities) (合同履行期間,由於招標工程量清單(已標價工程量清單)中缺、漏項,新增工程量清單項目的) (Missing or Omitted Items in the Bill of Quantities (工程量清單缺、漏項));

(5) estimated price (暫估價) for materials (材料), work equipment (工程設備) and specialized engineering (專業工程), in which case, the total contract price will be subject to adjustment by the results of legally mandatory tender (依法進行之招標結果), confirmation by supervisor (監理人) or estimation by supervisor (監理人) (as the case may be);

(6) construction work orders and Miscellaneous Work requests (工程簽證及零星委託);

(7) Quantity Deviations (工程量偏差) in respect of items included in the priced bill of quantities, in which case the final contract price shall be adjusted based on the actual quantities measured in accordance with the Installation Contract, while the relevant fixed all-inclusive unit rates shall remain unchanged;

(8) Provisional Sums (暫列金額), which may only be used in accordance with the instructions of Qinghai Zhongkong, with any unused balance to be deducted from the final contract price and retained by Qinghai Zhongkong;

(9) force majeure event;

(10) delay compensation (誤期賠償), payable by GCL Green Energy where GCL Green Energy fails to carry out the Installation Works pursuant to the terms of the Installation Contract, resulting in a delay in completion of the Installation Works, at 0.2% of the signed contract price for each day of delay in respect of each delayed project milestone;

(11) claims (索賠) by GCL Green Energy, where any event occurs under the Installation Contract which entitles GCL Green Energy to additional payment and/or an extension of time, provided that GCL Green Energy shall file its claim and provide proof in accordance with the terms of the Installation Contract; or

(12) claims (索賠) by Qinghai Zhongkong, where the compensation to which Qinghai Zhongkong is entitled (as determined by the supervisor (監理人)) shall be deducted from the total contract price payable to GCL Green Energy.

Calculation methodology for adjustment:

In the case of Price Fluctuations (物價變化), the magnitude of the price adjustment is calculated using the following formula; the resulting amount will be added to the contract price where prices rise and deducted from the contract price where prices fall. The formula below does not apply if $|P - P0|/P \leq 5\%$:

$$\Delta P = (|P - P0| - 5\% \times P0) \times Q \times (1 + X)$$

Where:

ΔP = The price difference requiring adjustment for a specific material;

P = The arithmetic mean of the unit price (excluding tax) for the sampled variety of the material during the adjustment period, as listed in the Qinghai Province Delingha City Construction Cost Information (調整期內某種材料對應的取樣品種在《青海省德令哈市工程造價信息》中的單價(不含稅)算術平均值);

P0 = The unit price (excluding tax) for the sampled type of the material during the month the contract was signed, as listed in the Qinghai Province Delingha City Construction Cost Information (某種材料對應的取樣品種在《青海省德令哈市工程造價信息》合同簽訂月的單價(不含稅));

Q = The quantity of work based on the as-built drawings for this item (本項工程的竣工圖工程量);

X = Tax rate (the invoicing tax rate applicable to the contractor (承包人的開票稅率)).

Notes:

a) Adjustment period: Defined by the commencement and end dates of the work covered by this item as recorded in the employer's construction log.

b) Precondition for adjustment: No adjustment is made when $|(P - P0)/P| \leq 5\%$; when $|(P - P0)/P| > 5\%$, the difference is calculated and the adjustment is made according to the formula above.

c) Sampled type (取樣品種): Price adjustments for this principal material are permitted only when the prices of the following specific varieties change:

Rebar (鋼筋) – "Hot-rolled ribbed steel bar HRB400" ("**熱軋帶肋鋼筋HRB400**");

Steel structure (鋼結構) – Hot-rolled I-beam (Q235B composite) (熱軋工字鋼(Q235B綜合)).

Taking rebar as an example: When $|P - P0|/P > 5\%$ for hot-rolled ribbed steel bar HRB400, the condition for price adjustment is met; the price change data for HRB400 rebar may then be used to calculate the ΔP for the entire rebar component.

d) Timing of adjustment: Adjustment shall be made on a one-time basis at the time of final settlement upon completion; no adjustments shall be made at other times.

In the case of Quantity Deviations (工程量偏差), the final contract price shall be adjusted based on the actual quantities measured in accordance with the Installation Contract, while the relevant fixed all-inclusive unit rates shall remain unchanged.

In the case of Provisional Sums (暫列金額), any amount used upon the instructions of Qinghai Zhongkong shall be included in the final contract price, while any unused balance shall be deducted from the final contract price and retained by Qinghai Zhongkong.

In the case of Change of Work (工程變更), Difference in Project Characteristics (項目特徵描述不符), Missing or Omitted Items in the Bill of Quantities (工程量清單缺、漏項), Miscellaneous work (零星工程), the following mechanism is applicable:

(a) No adjustment shall be made where the absolute increase or decrease arising from an individual variation order is less than RMB5,000 (excluding equipment costs (設備費) and the cost of materials supplied by Qinghai Zhongkong (甲供材料費)).

(b) Where such absolute increase or decrease is equal to or greater than RMB5,000 (excluding equipment costs (設備費) and the cost of materials supplied by Qinghai Zhongkong (甲供材料費)), the full amount shall be adjusted accordingly (全額調整).

In the case of estimated prices (暫估價) for materials, work equipment and specialized engineering, the adjustment shall be equal to the difference between the successful tender price, confirmed price or estimated price (as applicable) and the corresponding estimated amount stated in the bill of quantities, together with the applicable tax.

Delay compensation shall be calculated at 0.2% of the signed contract price for each day of delay in respect of each delayed project milestone. Where more than one milestone is delayed, the delay compensation shall be calculated cumulatively. If GCL Green Energy subsequently catches up with the project schedule and achieves the relevant subsequent control milestone, the delay compensation previously deducted shall be returned in accordance with the Installation Contract.

In the case of claims, any additional payment to GCL Green Energy or deduction in favour of Qinghai Zhongkong shall be reviewed and determined by the supervisor in accordance with the contractual claims procedure and the supporting records and documents.

If a force majeure event gives rise to a delay in completion of the Installation Works, the completion date will be reasonably extended and GCL Green Energy will not be required to pay delay compensation arising solely from the force majeure event. The resulting costs and losses will be allocated between the parties in accordance with the Installation Contract, including that certain losses relating to the permanent works and materials or equipment supplied by Qinghai Zhongkong, reasonable costs of protecting, cleaning and repairing the Installation Works, and acceleration costs incurred at the request of Qinghai Zhongkong will be borne by Qinghai Zhongkong, while losses relating to GCL Green Energy's own equipment and suspension losses will generally be borne by GCL Green Energy.

Maximum and minimum contract prices: The signed contract price under the Installation Contract is RMB313,419,700. The Installation Contract does not prescribe a fixed maximum or minimum contract price. The final contract price will depend on the actual quantities of the Installation Works completed and measured and the applicable additions or deductions under the contractual adjustment mechanisms.

BASIS FOR DETERMINATION OF THE CONSIDERATION

The contract price under each of the Contracts was determined by the respective contracting parties through a tendering selection process.

During the selection of the contractor for the Construction Contract and the determination of the contract price for the Construction Contract, Qinghai Zhongkong has considered the following factors: (i) the total area of the Site and the expected scope and technical requirements of construction works to be carried out at the Site with reference to the expected scale and overall layout of the Qinghai Project; (ii) the track record and qualifications of the candidates of contractors on carrying out similar construction work; (iii) the size of operation, manpower and financial performance of the candidates of contractors; and (iv) the prevailing market price of the similar construction work/services.

During the selection of the supplier for the Supply Contract and the determination of the contract price for the Supply Contract, Qinghai Zhongkong has considered the following factors: (i) the expected scale, business needs and technological standards of the Qinghai Project; (ii) the necessary equipment and systems for the operation of the Qinghai Project; (iii) the track record (including technical level), size of operation, manpower and financial performance of the candidates of suppliers in supplying similar products or equipment; and (iv) the prevailing market price of the similar products or equipment.

During the selection of the contractor for the Installation Contract and the determination of the contract price for the Installation Contract, Qinghai Zhongkong has considered the following factors: (i) the total area of the Site and the expected scale and complexity of the installation work to be carried out on the Site with reference to the expected scale and overall layout of the Qinghai Project and the amount of equipment and systems to be installed and commissioned at the Site; (ii) the track record and qualifications of the candidates of contractors on carrying out similar installation work; (iii) the size of operation, manpower and financial performance of the candidates of contractors; and (iv) the prevailing market price of the similar installation work/services.

Tendering and selection process:	**Application of the evaluation criteria and reasons for selection** The tenders submissions are evaluated using "comprehensive evaluation method (綜合評標法)" (covering technical, commercial, and tender price proposals), and the bid evaluation committee consists of six experts. In respect of the tender for the Construction Contract, Qinghai Zhongkong received three valid tender submissions. Qinghai Zhongkong evaluates the tender submissions in three (3) different perspectives with the following weighting: (i) a commercial assessment (商業評審) carrying a weighting of 10%, covering, among other matters, the tenderer's experience in having undertaken at least one similar project during the preceding five years, possession of a grade II (the mainstream qualification level in the industry) or above general contracting qualification for power engineering or construction engineering in PRC (中國電力工程施工總承包二級或以上資質), corporate scale and overall strength, financial statements, commercial reputation (including the absence of adverse records or material litigation), qualifications of the core project management personnel, response to the payment terms and response to the construction schedule; (ii) a technical assessment (技術評審) carrying a weighting of 30%, covering the comprehensiveness and feasibility of the construction proposal, appropriateness of quality assurance measures, reasonableness of the construction schedule and compliance with the required completion timetable, adequacy of the organisational structure and staffing, compliance of the tenderer's qualifications and project experience with the tender requirements, and health, safety and environmental management; and (iii) a tender price assessment（價格評審）carrying a weighting of 60%, under which scores were awarded by reference to the tender quotations. In respect of the tender for the equipment supply and installation works under the Supply Contract and the Installation Contract, Qinghai Zhongkong received three valid tender submissions.

Qinghai Zhongkong evaluates the tender submissions in three (3) different perspectives with the following weighting: (i) a commercial assessment (商業評審) carrying a weighting of 20%, covering, among other matters, the tenderer's experience in having undertaken at least one EPC or construction project for a new energy project with an installed capacity of 100 MW or above during the period from 1 January 2021 to the date of the tender, possession of a grade II (the mainstream qualification level in the industry) or above general contracting qualification for power engineering in PRC (中國電力工程施工總承包二級或以上資質), corporate scale and overall strength, financial statements, commercial reputation (including the absence of adverse records or material litigation), whether the tenderer had been listed as a judgment defaulter subject to enforcement, response to the payment terms and response to the delivery schedule for the equipment and installation works; (ii) a technical assessment (技術評審) carrying a weighting of 40%, covering the comprehensiveness and feasibility of the implementation proposal, appropriateness of quality assurance measures, reasonableness of the implementation schedule and compliance with the required delivery timetable, adequacy of the organisational structure and staffing, and compliance of the tenderer's qualifications and project experience with the tender requirements; and (iii) a tender price assessment（價格評審）carrying a weighting of 40%, under which scores were awarded by reference to the tender quotations.

Following the comprehensive evaluation of the technical, commercial and price aspects, the proposals submitted by the relevant subsidiaries of GCL System Integration were assessed as the strongest among the valid tenders in terms of qualifications and track record in new energy power construction and EPC projects, relevant project experience, corporate scale and overall strength. Their tender prices were the lowest among the valid tenders and did not exceed the budget for the Qinghai Project. Accordingly, Qinghai Zhongkong selected GCL Green Energy as the contractor under the Construction Contract and the Installation Contract, and Lvyuan Xinneng as the supplier under the Supply Contract. On this basis, the Directors consider that the selection of GCL Green Energy and Lvyuan Xinneng, and the relevant contract prices and terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Payment of the Consideration will be financed by the Group's internal resources and external financing from financial institutions or other third parties (including but not limited to funds to be provided by the relevant financial institutions through the issuance of New Policy-oriented Financial Instruments (新型政策性金融工具)). The detailed allocation of the various funding sources is set out as follows:

(a) External financing (New Policy-Based Financial Instruments) ((新型政策性金融工具)), in the amount of RMB200 million (accounting for 4.23% of the Consideration), details of which are set out in the voluntary announcement on "recent business update" published by the Company on 15 October 2025; and

(b) Internal group resources in the amount of RMB745,141,180 (accounting for 15.77% of the Consideration), injected by the Group as capital injection; and

(c) External financing (syndicated loan (銀團貸款)), in the amount of RMB3,780,564,720 ((accounting for 80% of the Consideration), raise by way of syndicated loan (銀團貸款).

    Hangzhou Branch of Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司杭州分行) will be the lead bank of the syndicated loan and Hangzhou Branch of Shanghai Pudong Development Bank Co., Ltd (上海浦東發展銀行股份有限公司杭州分行) will be a participating bank.

INFORMATION ABOUT THE PARTIES TO THE CONTRACTS

Information of the Group and the Company

The Company is an investment holding company. The Group is principally engaged in (i) the chips research, design, sales and supply chain services, semiconductor, intellectual property authorization business, digital security products and services and the development of computing power infrastructure and AI-enabled services (the "**Integrated Circuits and Digital Technology Business**"); (ii) the supply of electricity with a focus on the production and sales of solar power as well as the provision of development consultation and technical services of the solar thermal power generation technology, and the coordinated development of computing power and green electricity supply (the "**New Energy & Services Business**"); and (iii) the research, design, development and manufacture of telecommunications and technological products, production of radio frequency coaxial cables for mobile communications and mobile communications systems exchange equipment (the "**Cabled and Wireless Communications Business**").

Information of Qinghai Zhongkong

Qinghai Zhongkong is a company established under the PRC laws with limited liability and is an indirect non-wholly-owned subsidiary of the Company.

As at the Latest Practicable Date, (i) Qinghai Zhongkong is held as to 100% by Zhongguang New Energy; (ii) Zhongguang New Energy is held as to 51% by Hangzhou Longkong; and (iii) Hangzhou Longkong is (a) indirectly held as to approximately 87.67% by a wholly-owned subsidiary of the Company; and (b) directly held as to approximately 12.33% by Cosin Solar. Zhongguang New Energy and its subsidiaries are principally engaged in the New Energy & Services Business, including the Qinghai Project.

Information of the GCL Group

GCL Green Energy is a company incorporated in the PRC with limited liability and is an indirect wholly-owned subsidiary of GCL System Integration. GCL Green Energy is principally engaged in (i) providing services of design and engineering of construction of photovoltaic power station, (ii) providing technical services and engineering management services in relation to photovoltaic power station and (iii) sales of photovoltaic equipment and components. As at the Latest Practicable Date, GCL Green Energy is owned as to 95% by GCL System Integration and 5% by Suzhou GCL; and Suzhou GCL is a direct wholly owned subsidiary of GCL System Integration.

Lvyuan Xinneng is a company established under the PRC laws with limited liability and is an indirect wholly-owned subsidiary of GCL System Integration. Lvyuan Xinneng is principally engaged in (i) providing energy storage technology services, solar power generation technology services, power generation technology services and engineering cost consulting services, and (ii) sale of metal materials, sales of electrical equipment, sales of photovoltaic equipment and components. As at the Latest Practicable Date, Lvyuan Xinneng is owned as to 60% by GCL Green Energy and 40% by GCL Energy Technology; and GCL Energy Technology is a direct wholly-owned subsidiary of GCL Green Energy.

GCL System Integration is a company incorporated in the PRC with limited liability and principally engaged in integrated development of wind, solar, and hydrogen energy, power, and storage. GCL System Integration is a company listed on the Shenzhen Stock Exchange (stock code 002506.SZ).

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, GCL Green Energy and Lvyuan Xinneng and their ultimate beneficial owner(s) are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Qinghai Project is the 350 MW tower type molten salt concentrated solar power project adopting a three-tower-one-turbine (三塔一機) configuration based on tower type molten salt CSP technology. It includes a 3.15 million square meter heliostat field and is equipped with one 350 MW steam turbine generator unit. The project has commenced construction in December 2025 and is scheduled to achieve grid connection in December 2027.

The Qinghai Project has been successfully designated as a 2024 solar thermal power demonstration (pilot) project in Qinghai Province. Notably, Qinghai Project is currently the largest tower-type solar thermal project in terms of installed capacity among the completed, planned and under-construction projects in the world. The Board considers that the Qinghai Project will generate stable long-term revenue and enhance the Group’s market reputation and competitiveness in the solar thermal power generation sector. The Qinghai Project represents the first of a series of planned tower-type molten salt CSP projects that the Group intends to develop, construct and operate on a rolling basis.

The Qinghai Project is an important project under the New Energy & Services Business. The Transactions as contemplated under the Contracts are necessary for the construction of the Qinghai Project. The engagement of the companies in GCL Group was concluded after a tendering process with comparison with Independent Third Parties.

Each of the Contracts was concluded through a tendering process.

The Directors are of the view that the Transactions are on normal commercial terms, fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

ON-GOING REVIEW OF THE CABLED AND WIRELESS COMMUNICATIONS BUSINESS

On 7 December 2025, the Company, Hengtong Group (as the purchaser) and Jiangsu Hengxin (as the target company) entered into the equity transfer agreement (the "**Equity Transfer Agreement"**) pursuant to which the Company has conditionally agreed to sell, and Hengtong Group has conditionally agreed to acquire the sale equity, representing the 39% equity interest (the "**Sale Equity**") in the Jiangsu Hengxin (the "**Disposal**") at the consideration of RMB500,000,000 in cash (the "**Disposal Consideration**"). On 30 December 2025, the Company, Hengtong Group and Jiangsu Hengxin entered into the supplemental agreement to the Equity Transfer Agreement in relation to the amendment of the payment arrangement of the Disposal Consideration (the "**Supplemental Agreement**").

Jiangsu Hengxin (together with its subsidiaries) is principally engaged in the Cabled and Wireless Communications Business. Upon completion of the Disposal, Jiangsu Hengxin is owned as to 61% and 39% by the Company and Hengtong Group, respectively. For details of the Disposal, Equity Transfer Agreement and the Supplemental Agreement, please refer to the announcements of the Company dated 8 December 2025 and 30 December 2025, the circular of the Company dated 31 December 2025 and the poll results announcement of the Company dated 20 January 2026.

Since the Disposal, the Group has been reviewing the operation and financial performance of the Cabled and Wireless Communications Business. The revenue and net profit before tax of the Cabled and Wireless Communications Business dropped by 15.3% and 42.4% respectively in the financial year ended 31 December 2025 (as compared to the financial year ended 31 December 2024). Despite the aforesaid decline in revenue and net profit before tax, the Group commits to keep carrying on the Cabled and Wireless Communications Business and will not fundamentally change its principal business in the short term. The Group intends to maintain the operation of the Cabled and Wireless Communications Business during the year ending 31 December 2026 ("**FY2026**"). Please refer to the section entitled "*Overall Business Strategy and Development Direction of the Group*" below.

OVERALL BUSINESS STRATEGY AND DEVELOPMENT DIRECTION OF THE GROUP

The Group operates three principal business segments: (i) the Integrated Circuits and Digital Technology Business segment; (ii) the New Energy & Services Business segment; and (iii) the Cabled and Wireless Communications Business segment. The Board regards the three segments as complementary and mutually reinforcing parts of a single, multi-year diversification strategy that the Group has been implementing and disclosing progressively, rather than as separate or unrelated businesses.

The development of the Integrated Circuits and Digital Technology Business has been directed, in particular, towards building computing and digital capabilities. As previously disclosed, the Group, through its wholly-owned Hong Kong subsidiary Hengxin Metaverse Limited, owns a cluster of high-performance servers located at a data centre in Hong Kong and provides cloud computing and server leasing services (please refer to the Company's announcement dated 1 January 2023). Following the Company's subsequent acquisition of the remaining 49% equity interest in Shanghai Zhangyu Information Technology Co., Ltd. ("**Shanghai Zhangyu**") in 2024, the Group's cloud computing and high-performance computing services have gained further market traction, including the award in 2025 to Shanghai Zhangyu (a wholly-owned subsidiary of the Company after completion of the above equity acquisition in 2024) of the AI server cluster procurement project of the School of Intelligence Science and Technology of Peking University, under which it supplies high-performance GPU servers and related equipment and provides deployment and ongoing operation and maintenance services (please refer to the Company's voluntary business update announcement dated 22 April 2025). The output of the Integrated Circuits and Digital Technology Business segment also supports the New Energy & Services Business segment, including the operation and maintenance of new energy projects and the market-based trading of electricity.

Building on this foundation, the Group's overall strategy is to develop the New Energy & Services Business as its principal growth engine and to deepen the integration between its green power generation and its computing and digital capabilities – being the coordinated development of computing power and electricity and the direct supply of green electricity – which the Board considers to be aligned with national policy priorities. Following the Qinghai Project (a 350 MW solar thermal project), the Group intends, subject to prevailing market conditions, project opportunities and the obtaining of relevant approvals, to develop further new energy projects on a rolling basis and to deepen the integration of green power generation with its computing facilities by developing virtual power plants, AI-powered carbon asset management systems and related solutions where commercially and technically viable. The Group also plans to explore the use of various available capital operation instruments to optimize the operational new energy assets to fuel future development and improve the capital structure and cash flow of the Group, and to further develop its solar thermal power generation operation and maintenance services business. In this regard, as at the Latest Practicable Date, the Group is exploring the proposal for the partial disposal of its interest in Qinghai Zhongkong Solar Power Co., Ltd.* (青海眾控太陽能發電有限公司) (an indirect non-wholly owned subsidiary of the Company which holds the Group's 50 MW and 10 MW solar thermal power plants located in Delingha, Qinghai) through a domestic asset-backed securitization scheme in the PRC, pursuant to which the Group will retain approximately 30% of the units issued under the asset-backed securitization scheme. The proposed asset-backed securitization scheme has not been finalized and may or may not proceed; if it materializes, the Company will comply with the applicable requirements of the Listing Rules and make a further announcement as and when appropriate.

As for the Cabled and Wireless Communications Business, the Group intends to maintain the operation and market competitiveness of this segment during FY2026, including by continuing to participate in the centralised procurement tenders of major telecommunications operators in the PRC and pursuing selective opportunities in areas such as rail transit upgrade projects and overseas markets. The Group also intends to carry out selective research and development in its core product areas so as to maintain its technological competitiveness in the industry. The Board considers that the FY2026 audited financial results will provide a comprehensive and up-to-date assessment of the performance, prospects, and strategic positioning of the Group's three principal business segments. Only after a full review of these results will the Board be in a proper position to determine whether any adjustment to the scale of the Cabled and Wireless Communications Business is appropriate.

The Group intends to continue operating all three business segments. The foregoing reflects the Board's current strategic intentions only and involves future plans that have not been finalised; it is subject to change and does not constitute any profit forecast or guarantee of future performance. The Company confirms that, based on the current assessment of the Board, it has no plan to effect any fundamental change to its three existing principal business segments (including the Cabled and Wireless Communications Business) in the foreseeable future. The Company intends to continue operating all three business segments in their current form, while continuing to develop the New Energy & Services Business as its growth engine.

We will elaborate the strategies, business opportunities and challenges of each business segment in greater details as follows:

DETAILED STRATEGIES, OPPORTUNITIES AND CHALLENGES OF THREE BUSINESS SEGMENTS

I. Integrated Circuits and Digital Technology Business

The Company's integrated circuits business adopts a fabless model, focusing on the R&D and industrialization of IoT security chips. It provides a full-chain, one-stop semiconductor supply chain service covering chip specification definition, IP selection, front-end and back-end physical design, wafer foundry coordination, and packaging and testing. Its products are mainly used in industrial IoT, financial security, intelligent terminals, automotive security, and other fields.

The digital technology business focuses on the trusted technology foundation for the digital economy. It provides data security and computing infrastructure security products and services for industrial internet, fintech, and smart cities. Relying on domestic commercial cryptography, trusted computing, and privacy-preserving computing technologies, it builds a comprehensive security protection system.

(I) Business Development Opportunities

1. Accelerated domestic substitution in semiconductors, with surging demand for Fabless design services

According to statistics from IC Insights and DIResearch, the domestic Fabless IC design market will reach RMB1,020 billion in 2026, up 23.5% year-on-year. Against the geopolitical backdrop, domestic downstream terminal companies have a strong willingness to localise their supply chains. Delivery lead times for IoT and security chips from overseas have generally extended to 32-48 weeks, and orders for local design services and tape-out foundry support continue to be released. The market for domestic chip design outsourcing services is growing at a compound annual rate of 15.2%.

2. The Fabless asset-light model fits industry development trends and offers strong expansion flexibility

The number of small and medium-sized domestic chips design companies is growing at an average annual rate of 11%. Most teams focus on algorithms and scenario applications, lacking the full-chain supply chain capability for back-end physical design, wafer fabrication, packaging and testing. The penetration rate of one-stop chips R&D outsourcing services continues to rise. The Company does not need heavy investment in wafer production lines and can quickly connect with mature domestic foundries and packaging/testing factories such as SMIC, Hua Hong, and JCET. Leveraging its industrial chain resources, it can rapidly undertake customised chips projects in multiple fields, with low marginal expansion costs and stronger resilience against economic cycles.

3. *Policy-driven compliance requirements expand the market, with strong sector growth certainty*

According to cninfo360's 2026 China Data Security Industry Research Report, the domestic data security market is expected to reach RMB39.89 billion in 2026, with a year-on-year growth of 21.4%. Following the implementation of the Data Security Law and the Personal Information Protection Law, data security compliance rectification in state-owned enterprises, finance, industry, and government sectors has entered a deep implementation phase. Entities handling the personal information of more than 1 million people are required to undergo mandatory data security assessments. Compliance evaluation, data governance, and security upgrades alone will release RMB4.5 billion in annual incremental market space. Among them, the industrial internet security segment is growing at an annual rate of 27.6%, and the industrial and financial sectors, where the Company has deep expertise, are the core demand drivers.

(II) Core Challenges Faced by the Integrated Circuits and Digital Technology Business

1. *Fluctuations in upstream wafer foundry capacity and prices squeeze profit margins*

Domestic mature process (28nm/40nm) wafer capacity experiences periodic supply-demand tensions. Foundry quotations have risen by an average of 5%-12% annually, and they prioritise capacity allocation for large leading chips companies. As a small-to-medium fabless design company, the Company faces insufficient capacity locking and weak bargaining power on procurement. The upstream cost increases cannot be fully passed on to downstream customers, compressing the gross margin of the design service business.

2. *Scarcity of industry talent and intense competition for high-end chips design teams*

The talent gap for digital back-end, analogue RF, and automotive-grade chips R&D exceeds 400,000 people. Leading semiconductor companies offer high salaries to attract talent, and labour costs for small-to-medium design companies have risen by an average of more than 15% annually. The loss of core R&D personnel would directly lead to project delays and loss of customers.

3. *Cyclical downturn in downstream consumer electronics, with intense price competition for low-end chips orders*

Demand for traditional consumer IoT chips is weak. Many design companies crowd into the general-purpose MCU and Bluetooth chips segments, driving continuous decline in industry quotations. Only automotive-grade, financial, and industrial-grade security chips can maintain relatively high gross margins.

4. *Fragmented competitive industry landscape, with high barriers of entry set up by leading players*

There are more than 3,200 domestic data security-related companies, and the CR10 market concentration is less than 35%. Leading companies such as Qi-an Xin, Venustech, and Sangfor, leveraging their channel advantages and large-project delivery capabilities, capture over 60% of large-scale government and enterprise bidding markets. Small-to-medium security vendors generally fall into homogenised low-price competition. The Company has relatively weak channel resources in bidding for large central SOE's turnkey projects, and the profit margins of small-to-medium projects continue to be squeezed.

5. *Structural contraction in client budgets and lengthening project delivery cycles*

Affected by the macroeconomic environment, digital budgets of local governments and small-to-medium manufacturing enterprises have tightened. Security project bidding is delayed or phased in. The average project payment collection cycle has extended from 6 months to 10-12 months, putting pressure on the Company's operating cash flow.

(III) Medium- and Long-Term Development Direction

1. *Product focus: shrink general-purpose consumer chips business and deepen penetration into high-barrier security chips segment*

The Company will focus on three high-margin areas: industrial IoT encryption chips, financial identity security chips, and automotive-grade trusted authentication chips. It will build an in-house security IP library, reduce dependence on external IP licensing, and create differentiated technological barriers to avoid price wars in low-end segments.

2. *Vertical deepening of service capabilities: upgrade from pure design outsourcing to integrated chips solution delivery*

Leveraging its full-chain Fabless service advantages, the Company will provide clients with integrated "chips design + firmware development + security algorithm adaptation + batch supply chain delivery" solutions. This will increase the added value per project and transform the business model from manpower-based outsourcing to standardised chips IP solution sales.

3. *Industry chain synergy and binding: secure long-term capacity with leading domestic wafer and packaging/testing manufacturers*

The Company will sign annual capacity framework agreements with local mature process foundries to lock in stable tape-out capacity and hedge against wafer price and supply volatility risks. Simultaneously, it will collaborate with upstream IP providers and downstream industry leaders on joint R&D to achieve two-way binding of technology and orders.

4. *Structural product upgrade: transform from point-solution security tools to an integrated trusted computing platform*

Focusing on the three core sectors of industrial internet, finance, and smart cities, the Company will integrate commercial cryptography, privacy-preserving computing, and trusted computing technologies to build a data security infrastructure platform for computing clusters. This will provide integrated capabilities for data asset mapping, tiered protection, cross-domain secure data flow, and trusted scheduling of computing power, targeting major projects such as the "East-to-West Computing" hubs and local government smart city turnkey contracts.

(IV) The followings are the key factors affecting business strategy of the Integrated Circuits and Digital Technology Business:

1. Mature-process wafer capacity supply and wafer purchase price fluctuations;

2. Capital expenditure and domestic procurement ratio of downstream security-oriented end-users (finance, industry, automotive);

3. Progress in building the proprietary security IP library and stability of the core R&D team;

4. Intensity of policy enforcement: the pace of mandatory data security and commercial cryptography compliance in various regions directly determines downstream customers' procurement rhythm;

5. R&D investment efficiency and core technology barriers: the maturity of proprietary commercial cryptography and privacy-preserving computing technologies determines differentiated competitive capabilities; and

6. Government-enterprise channel development capability and project collection control: these determine order scale and cash flow safety.

(V) 2027 Business Outlook Projections

1. Industry fundamentals:

In 2027, the domestic fabless design market is expected to exceed RMB430 billion, with IoT security and automotive chips sub-sectors maintaining growth rates of above 20%. The self-sufficiency rate of domestic mature-process wafers is expected to rise to 65%, continuously improving supply chain stability, and the bargaining power of small-to-medium design service providers will recover slightly.

The domestic data security market is expected to exceed RMB48 billion in 2027, maintaining annual growth rates of above 20% for three consecutive years. The industrial and financial sub-sectors show the strongest demand resilience. The penetration rate of security products based on domestic cryptography and trusted computing will exceed 85%, and the replacement of foreign products will enter its final phase.

2. Company operating forecast:

The integrated circuits business implements high-margin industrial, financial, and automotive security chips projects, while controlling costs through the reuse of self-developed IP and long-term production capacity planning.

The digital technology business will refer to existing benchmark clients to replicate their industry solutions for new clients, and expects that the launch of standardized platform products will help control project delivery costs.

As of the latest date, the outstanding orders for the Integrated Circuits and Digital Technology business segment exceed RMB206.55 million, accounting for 77% of the segment's full-year revenue in 2025.

II. New Energy and Services Business

Zhongguang New Energy Technology Co., Ltd., as a pioneer in the construction and O&M of molten salt field in China, is committed to promoting the application of "molten salt energy storage" as the core, coupled with multiple energy storage technologies. It aims to become an investment, construction, and management platform in the new energy storage sector, focusing on the core strategic business directions of "CSP+" and "molten salt energy storage+".

(I) Business Development Opportunities

1. *National + Qinghai dual policy implementation: the CSP industry enters a large-scale and high-growth expansion cycle*

The National Development and Reform Commission and the National Energy Administration's Opinions on Promoting Large-scale Development of CSP set a national CSP installed capacity target of 15 GW by 2030. By the end of 2025, only 1.82 GW of CSP capacity had been commissioned in China. Over the next five years, the industry compound growth rate exceeds 45%, with total CSP projects under construction exceeding 31 GW, fully opening up the market for O&M and power plant development. As the core CSP area in China, Qinghai Province plans to add an average of 1-2 GW of CSP capacity annually during the "15th Five-Year Plan" period. It has set a guaranteed feed-in tariff floor price of RMB0.55/kWh for CSP projects, supplemented by capacity payments and grid ancillary service revenues, ensuring long-term stable profitability for self-owned CSP plants. The Company's two self-owned plants in Delingha, Qinghai (50 MW and 10 MW) have maintained stable full-capacity operation for many consecutive years. The 50 MW project achieved annual power generation of 143 million kWh with a generation achievement rate of 98.09%, even under annual DNI irradiation values below design expectations. This validates the Company's fine-tuned O&M capabilities and provides a proven management template for subsequent large-scale self-owned project operations.

2. *Low concentration in the CSP O&M industry, with a first-mover advantage for leading scale players rapidly building barriers*

According to CSPPLAZA industry statistics, by the end of 2025, global CSP capacity in operation and under construction totalled about 4.9 GW. Specialised third-party O&M service providers are generally scarce, and most plant owners lack long-term technical experience in molten salt plant O&M. The third-party outsourcing penetration rate is only 37%, but it is expected to rise to over 65% in the next three years. In 2025, the Company's total O&M scale exceeded 1.1 GW, ranking first globally among CSP O&M service providers. It added two benchmark O&M projects: Guoneng Gonghe 100 MW and Xinjiang Xinhua Bozhou 100 MW. At the same time, it led the development of the Standard for Safety Production Standardisation Implementation of Solar Thermal Power Plants, which was released in early 2026, marking a leap from scale leadership to industry standard setting. The subsequent 3 GW of operational CSP projects and 3 GW of projects under construction will be preferentially allocated to leading standardised O&M enterprises, continuously improving the sustainability and pricing power of O&M business orders. The market average annual O&M service fee per MW is stable at RMB160,000-180,000. With 1.1 GW under O&M, the Company can achieve stable annual O&M revenue of RMB170-200 million, forming a sustainable cash flow base.

3. *Driven by industrial energy-saving and carbon-reduction policies, the distributed molten salt thermal storage market enters a commercial take-off phase*

According to 2026 molten salt energy storage industry research data, the domestic molten salt thermal storage market for industrial steam, waste heat utilisation, and park heating reached RMB32.8 billion in 2025 and is expected to exceed RMB100 billion by 2030, with a compound annual growth rate exceeding 25%. Among them, the textile, food processing, and chemical industries account for 41% of total industrial heating energy consumption in the form of steam. Coal-fired boiler replacement and dual-control of energy consumption are forcing enterprises to adopt green electricity-based high-temperature storage solutions for steam supply. The technology has received recognition from the China Machinery Industry Federation, with the appraisal committee concluding that: The technological achievement has strong technological innovation, broad promotion prospects, and overall reaches the international advanced level. The convection-enhanced single-tank charge-storage-discharge integrated molten salt thermal storage and flexible renewable energy consumption technology reaches the international leading level. The "Thermal Storage Treasure" product has completed more than one year of on-site commissioning and iteration in Taizhou, Renhuai, Delingha, and Huzhou.

(II) Core Challenges Faced by the Business

1. *Existing self-owned CSP project revenues are subject to solar irradiation fluctuations, creating uncertainty in power generation*

The annual DNI solar irradiation in Northwest China fluctuates by about ±8%, and extreme sandstorms or cloudy weather can directly reduce annual generation. Although the Company's 10 MW retrofitted project saw a 158% year-on-year increase in generation, its annual generation achievement rate was only 89.84%. If future annual irradiation continues to fall below design values, the revenue and profit of the self-owned plants will face temporary pressure. Additionally, existing CSP projects in Qinghai will gradually shift to market-based trading, and tariffs face downward pressure over time.

2. *Competition in the CSP O&M industry is intensifying, with small and medium-sized regional O&M players undercutting prices for scattered projects*

As domestic CSP projects are commissioned intensively, local energy engineering and power maintenance companies are entering the CSP O&M sector, small-scale CSP projects below 50 MW are seeing low-price bidding, and the industry average O&M unit price has declined by about 11% over the past two years. Although the Company enjoys barriers in large-scale projects through industry standards and scaled O&M capabilities, gross margins on small projects face downward pressure. At the same time, cross-regional management for O&M in Xinjiang, Qinghai, and other areas increases operational costs for staffing and spare parts.

3. *The distributed molten salt thermal storage market is still in the introduction phase, with long client upfront decision-making cycles*

Industrial energy-saving retrofit projects require a full process of energy consumption assessment, budget approval, and technical retrofit approval. The average cycle from commercial negotiation to contract signing is 6-12 months per project, resulting in a slow release of short-term orders. Meanwhile, some small-to-medium enterprises are under cash flow pressure and have weak investment willingness for energy-saving projects, preferring to wait for proven case studies. Market cultivation requires sustained marketing investment.

(III) Medium- and Long-Term Development Direction

1. *Quality and efficiency improvement of self-owned plants: fine-tuned retrofits of existing plants + strategic layout of new large-scale high-quality CSP assets*

For the existing 50 MW and 10 MW projects in Delingha, the Company will continue to implement technical retrofits including mirror field cleaning, molten salt system anti-corrosion measures, and intelligent control system upgrades, aiming to stably raise the annual generation achievement rate of both plants to above 95%. Leveraging the experience from the 350 MW benchmark project operation and development, it will focus on the Northwest new energy bases in Qinghai, Xinjiang, and Gansu, selectively layout 2-3 100 MW-class CSP self-owned plants, and build a regional cluster of high-quality clean energy assets.

2. *Nationwide standardisation and replication of O&M entrusted business, expanding from the Northwest to the national CSP market*

Relying on the advantage of being the lead compiler of industry safety production standards, the Company will export a standardised O&M management system and an intelligent monitoring O&M platform, focusing on newly developed CSP hub regions in Inner Mongolia, Ningxia, Jilin, and other areas, aiming to exceed 1.8 GW of total O&M scale by the end of 2027. It will also extend upstream and downstream O&M services, offering high-value-added services such as plant retrofits, centralised procurement of spare parts, and operator training to optimise the revenue structure of the O&M business and enhance overall gross margins.

3. *Multi-business model implementation: "CSP + green power direct supply + integrated wind-solar-thermal" models*

Leveraging stable green power from self-owned CSP plants, the Company will sign long-term green power direct supply agreements with computing industrial parks and energy-intensive industrial enterprises, securing power consumption channels and hedging against market-based tariff fluctuations. It will also partner with solar and wind project developers to create integrated wind-solar-thermal-storage projects, securing bundled development and overall O&M turnkey orders for new energy bases.

4. *Create a benchmark for large-scale industrial ultra-high-temperature heat pumps, upgrading from equipment supplier to integrated industrial energy service provider*

   The Company will fully promote the 350 MW ultra-high-temperature heat pump project with Befar Group, creating the world's first commercial demonstration project and accumulating the integrated technical capabilities for large-scale high-temperature thermal storage system. The business will extend from standalone equipment sales to integrated solutions for industrial waste heat recovery, green power consumption, and park-level heating, increasing per-project added value and profitability.

(IV) The following are the core factors affecting business strategy of the New Energy and Services Business:

1. The pace of CSP feed-in tariff reductions in Qinghai Province, detailed implementation rules for capacity payments and grid ancillary service policies;

2. The pace of CSP project construction and commissioning nationwide, and changes in third-party O&M outsourcing market penetration rates;

3. The progress of preliminary approvals for the Qinghai Project, the timeline for syndicated loan financing, and project construction cycle management capabilities;

4. The degree of price competition in the CSP O&M sector, cross-regional O&M management, and stability of the core technical team;

5. The enforcement intensity of national industrial energy-saving and carbon-reduction policies and coal-fired boiler replacement policies, as well as local technical retrofit subsidy policies; and

6. The commercial conversion efficiency of the "Thermal Storage Treasure" product and the effectiveness of the EMC business model promotion.

(V) 2027 Business Outlook Projections

1. Self-owned plant operations: Relying on intelligent O&M optimisation, the two existing self-owned plants in Qinghai are expected to generate a combined total of 155 million kWh of electricity throughout the year, with stable revenue. The implementation of the Qinghai Project will open the ceiling for the Company's self-owned asset growth. Once completed, this will be the world's largest single-unit tower molten salt CSP plant, equipped with long-duration molten salt thermal storage system, which can significantly alleviate grid peak-shaving pressures in Qinghai's multi-GW new energy base. Based on Qinghai's guaranteed feed-in tariff of RMB0.55/kWh, the Qinghai Project's annual generation of about 1 billion kWh would generate an annual basic power revenue of RMB550 million. Adding capacity compensation, ancillary peaking services, and green power trading revenues, providing the Company with stable operating cash flow for 25 years.

2. O&M and entrusted business: Leveraging industry standard barriers and reputation from existing benchmark projects, the Group's O&M business continues to expand, with new O&M installed capacity steadily increasing during the year. It is expected that the total installed capacity of the O&M business will achieve significant growth by the end of 2027, while costs will be controlled through centralized procurement and standardized O&M procedures.

3. Molten salt energy storage business: Relying on a number of commercial projects currently under negotiation, the Company expects to add 8-12 new "Thermal Storage Treasure" implementation projects in 2027, with a focus on the South China and East China markets.

III. Cabled and Wireless Communications Business

Business Overview

In the current market and competitive environment, the Company's Cabled and Wireless Communications Business Segment faces multifaceted challenges and opportunities. The Cabled and Wireless Communications Business Segment is primarily engaged in various wireless communication coverage products, including RF cables, base station antennas, camouflaged antennas, RF passive components, and indoor distribution systems. The Segment deeply participates in the annual centralized procurement of the three major domestic telecommunications operators, with products covering a wide range of categories including green macro base station antennas, exhaust pipe/spotlight/elevator camouflaged antennas, high-speed railway dedicated antennas, and low-altitude integrated sensing and communication antennas. Concurrently, the Segment is expanding into overseas communication markets and specialized scenarios such as industrial private networks and satellite communications, with operator centralized procurement business serving as its foundation and customized industry-specific products (provincial procurement) acting as a supplementary growth driver.

(I) Business Development Opportunities

The scale of operator centralized procurement continues to expand with the large-scale deployment of 5G-A and urban deep coverage. Domestic 5G networks have entered a phase of deep signal gap-filling and performance upgrades. The commercial rollout of 5G-A has driven rapid growth in demand for multi-band integrated green antennas. Demand for signal optimization in scenarios such as urban commercial districts, residential communities, underground parking garages, and elevators continues to be released, creating stable annual procurement volumes for camouflaged antennas. Operators have identified green and energy-efficient, low-loss products as key procurement priorities, with dedicated technical scoring preferences. Companies with mature green antenna product systems enjoy inherent scoring advantages. Centralized procurement contract cycles are typically 1-2 years, and successful bidders can secure long-term stable supply shares.

Specialized niche segments open up differentiated growth opportunities, creating a high-margin second growth curve. While competition in the traditional general macro base station antenna market is fierce, niche segments such as high-speed rail transit, low-altitude economy, satellite internet, and tunnel/mine private networks feature higher technical barriers and less intense competition. High-gain lens antennas for rail transit, low-altitude integrated sensing and communication antennas, and low-orbit satellite phased array terminal antennas command higher added value and gross margins significantly superior to conventional antenna products, effectively circumventing the low-price competition prevalent in general products and establishing differentiated competitive barriers.

Green product systems provide technical scoring advantages, with industry-leading bid documentation and service response capabilities. The Company's proprietary cable-less green antenna series aligns with centralized procurement scoring criteria in terms of energy consumption, lightweight structure, and green packaging, supported by multiple product invention patents, enabling stable scoring advantages in technical evaluations. The commercial bid documentation system has been optimized through multiple iterations, with mature subjective response content covering supply chain assurance and performance services, consistently ranking among the industry's top performers in subjective scoring categories, serving as a stable driver for improving composite scores.

Overseas communication market growth offsets domestic industry cyclical fluctuations. Although the pace of investment in new traditional macro base station construction in China has slowed, demand for 5G construction and satellite networking continues to rise in regions such as Southeast Asia, the Middle East, and Central Asia. Overseas markets are not subject to the extreme low-price competition prevalent in China, offering higher product profitability, which can effectively hedge against the profit pressures of domestic centralized procurement. The overseas business can consistently smooth overall revenue and profit fluctuations.

(II) Core Business Challenges

Despite the promising outlook, the Company still faces formidable challenges during the transformation of its Cabled and Wireless Communications Business Segment.

1. Intensifying Competition in the Inventory Market

As the peak period of 5G base station construction gradually passes, the incremental space in the traditional communications equipment market is shrinking, and the industry has entered a phase of stock-market competition. In 2025, domestic 5G network construction was substantially completed, with investment in the wireless side of mobile communications declining by over 30% year-on-year. At the same time, the demand structure for traditional RF products is undergoing profound changes – demand for traditional products is declining year by year, while demand for RF devices with high frequency bands, large bandwidth, and miniaturization is growing steadily. This means that relying solely on scale expansion is no longer sustainable, and new business growth drivers must be identified. The development trend of feeder cables for the domestic operator market can be summarized as follows: the underlying demand remains stable, but the technical sophistication is accelerating towards intelligence and high-performance capabilities.

2. Balancing Cost Control and R&D Investment

In terms of the equipment manufacturer business, as communications equipment manufacturers continue to raise their requirements for supply chain integration and cost control, the Company urgently needs to improve its production efficiency and cost control capabilities. By optimizing production processes and introducing advanced manufacturing technologies, the Company can enhance product competitiveness. It is expected that by the second half of 2026, customer A's ICT wireless business will remain stable with a slight decline, and its demand for Category 2507 RF cables will continue to decrease. The weakening of market demand has led to an imbalance between supply and demand, resulting in oversupply. Customer A's demand has become a focal point for cable manufacturers, with intense competition among suppliers. There is no technological innovation in the products, and cable product iteration is slow. Demand for braided cables remains stable, while demand for feeder cables is declining. Customer B's demand for jumper cables and feeder cables is decreasing year by year. Customer C's overall equipment capability is weaker than customer B's; however, as a central state-owned enterprise, customer C will increase its investment in areas such as the low-altitude economy in the future, with its business focus also shifting to overseas markets.

Communications equipment manufacturing is a typical technology- and capital-intensive industry, facing intense price competition. How to further reduce production costs through intelligent transformation while maintaining a high level of R&D investment is a critical challenge in balancing profitability and development.

3. Significant Technological Transformation Leap

The transition from traditional passive components (cables, antennas) to active systems, chips, and optical modules represents a significant leap. This not only requires substantial capital investment (for example, R&D expenses increased by 15% year-on-year in the first half of 2025), but also demands a profound restructuring of talent composition and technological accumulation.

(III) Medium- to Long-Term Development Directions

The Company will make efforts in product portfolio stratification to balance foundational market share and high-margin growth. The Company will maintain the operator centralized procurement foundation with conventional standard macro base station antennas, optimizing costs through lean production to secure stable qualification status; increase R&D investment in green integrated antennas, rail transit dedicated antennas, and low-altitude and satellite communication antennas; and build a portfolio of proprietary RF patents and leverage differentiated high-end products to avoid low-end price competition, thereby improving overall profitability. The Company will continuously iterate the green antenna product system to consolidate technical scoring advantages.

The Company will carry out dual-track expansion – domestic centralized procurement plus overseas markets – to smooth cyclical fluctuations. Domestically, the Company will continue to pursue regular antenna centralized procurement from the three major operators while simultaneously exploring supplementary coverage orders for municipal tunnels, industrial parks, and commercial complexes to offset centralized procurement share gaps. The Company will continually expand overseas channels, focusing on emerging communication markets in Southeast Asia and the Middle East, exporting high-value-added rail transit and satellite supporting antennas, and leveraging high-margin overseas orders to counter domestic low-price competitive pressures.

The Company will expand into new sectors such as integrated sensing and communication and satellite communications to create a second growth curve. Building upon the existing RF antenna R&D foundation, the Company will develop integrated solutions for low-altitude detection and vehicle-to-ground integrated sensing and communication; accelerate the commercial deployment of low-orbit satellite supporting antennas and deeply engage with domestic satellite constellation construction projects; and transform the business model from a pure hardware antenna supplier to an integrated solution provider encompassing antennas, passive components, and industry coverage solutions, thereby enhancing the comprehensive value per project.

The Company will deepen industry chain collaboration to reduce costs and hedge against raw material price increases. The Company will establish long-term fixed-price cooperation frameworks with domestic suppliers of high-frequency substrates and metal raw materials to enhance bulk purchasing bargaining power; continue to advance production line automation upgrades and the implementation of green photovoltaic factories on the production front to reduce production energy consumption and labour costs, and centralize the procurement of standardized structural components and spare parts, optimize product BOM costs, and stabilize the overall gross margin level.

The Company will keep pace with industry technology iteration trends. The new-generation 5G-R standard will undergo trial operation, and on-site technical tests have already been conducted on the Datong-Qinhuangdao railway line. The 400M analogue wireless train dispatching system will be retired by the end of 2028, and the industry is currently discussing the technical standards for the 400MHz digital communication system applicable to local railways. The Company needs to actively track the evolution of relevant standards and plan ahead for next-generation railway communication products.

(IV) 2027 Business Outlook Projections

1. Overall Industry Fundamentals of the Cabled and Wireless Communications Business Segment

(a) Communication Antenna Market

In 2027, the domestic communication antenna market is expected to continue growing, with 5G-A supporting green multi-band antennas and indoor camouflaged coverage antennas serving as core growth drivers. Green and energy-efficient, multi-band integration will become mandatory procurement criteria for operators, with companies possessing mature green product solutions continuing to gain market share. The specialized niche segments of low-altitude economy and satellite communication dedicated antennas are expected to maintain growth rates above 25%, with high-end differentiated antennas achieving gross margins 8-12 percentage points higher than general products. Centralized procurement scoring rules will continue to be optimized, narrowing the score gap arising from existing equipment holdings and lowering the entry barriers for second-tier manufacturers. Concurrently, domestic high-frequency material production capacity will gradually be released, alleviating the pressure from raw material price increases.

(b) Urban Rail Transit and Railway Construction

In terms of urban rail transit, according to data released by the Ministry of Transport, as of 2025, 54 cities across China (including the Xinjiang Production and Construction Corps) had operational urban rail transit systems, with 333 lines and a total operational mileage exceeding 11,330.5 kilometres, ranking first in the world. In 2025, passenger intensity dropped to 7,990 passenger-trips per kilometre per day, a year-on-year decrease of 3.3%, indicating that the scale of the rail network is expanding, but passenger flow growth cannot keep pace with the speed of network expansion. Overall, although new urban rail transit lines continue to be built, the growth rate is slowing down, and the industry is transitioning from high-speed construction to high-quality development and regional integration. The railway transportation construction landscape is undergoing a profound transformation. The traditional large-scale "railways, highways, and airports" infrastructure construction is slowing down. The number of project tenders in 2026 has declined, and railway construction has entered a transitional phase, with the development focus shifting from scale expansion to technological upgrading.

(c) Wireless Network Market

In the wireless network market, operator communications network coverage will continue to dominate in the future. Leveraging its low-cost advantage, it will achieve wide coverage in sparsely populated areas with low traffic volume and urban signal blind spots. The market will shift from extensive coverage to intelligent, scenario-based, deep and precise coverage. Leveraging digital products and AI technology, the market is moving towards "low cost, high intelligence, and easy operation and maintenance."

Communication base station antennas will no longer be limited to performance improvements, but will instead move towards the deep integration of intelligence, collaboration, and scenario-based applications. Future antennas will become "smarter" – capable of sensing their environment, making decisions through analysis, and collaborating with other devices.

(d) Overseas Wireless Communications Market

In the overseas wireless communications market, drawing on the development trends of 2025, global telecom operators' capital expenditure is generally stable with a slight increase (up 0.62% year-on-year). The focus is shifting from large-scale new construction to network upgrades, computing power infrastructure, and green and low-carbon initiatives, with AI-related investment becoming a new growth driver.

2. Operational Forecast for the Cabled and Wireless Communications Business Segment

(a) Domestic operator centralized procurement business: By conducting pre-submission sample testing, expanding testing equipment capabilities, and intensifying performance efforts on a province-by-province basis to address non-price scoring deficiencies, the bid-winning share is expected to increase to the 10%-18% range.

(b) Specialized niche incremental business: The Company will maintain industry leadership in rail transit business. Low-altitude and satellite antennas will establish standardized implementation cases; indoor digital distribution systems will sustain high growth. Overall revenue from niche segments is expected to grow by over 20% year-on-year, becoming a core profit growth driver, with comprehensive gross margins for niche businesses stabilizing at above 28%.

(c) Overseas export business: International partner countries continue to expand, with overseas antenna and RF component orders steadily increasing. Overseas revenue is projected to grow by 20%-30% year-on-year, offsetting the pressure from low-price competition in domestic centralized procurement and restoring the comprehensive gross margin for overall business by 2-3 percentage points.

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, given that the Transactions were made within a 12-month period between Qinghai Zhongkong and the counterparties from the same group in respect of the construction of the Qinghai Project, the Transactions will be aggregated and treated as if there was one series of transactions for the purpose of calculating the relevant percentage ratios.

As the highest applicable percentage ratio in respect of the Transactions is more than 100%, the Transactions constitute a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification, announcement, circular and shareholder's approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, as at the Latest Practicable Date, no Directors have a material interest in any of the Contracts and the transactions contemplated thereunder. Thus, no director has abstained from voting on the board resolutions approving the Contracts and the transactions contemplated thereunder.

EGM

Set out from pages EGM-1 to EGM-2 is a notice convening the EGM to be held at Unit 08, 43/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on 11 September 2026 (Friday) at 11:00 a.m. or any adjournment at which resolution will be proposed to the Shareholders to consider and, if thought fit, approve the transactions contemplated under the Contracts.

The Principal Share Registrar and Branch Share Registrar of the Company will be closed from 8 September 2026 (Tuesday) to 11 September 2026 (Friday) (both days inclusive), during which period no transfer of Shares will be registered. The record date for determining the eligibility of the Shareholders for attending and voting at the EGM is 11 September 2026 (Friday). In order to qualify for attending and voting at the EGM, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's principal share registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Shareholders registered in Singapore), or at the office of the Company's Branch Share Registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (for Shareholders registered in Hong Kong) not later than 4:30 p.m. on 7 September 2026 (Monday). Any removal of Shares from the Company's principal share registrar in Singapore to the branch share registrar in Hong Kong for the purpose of attending the EGM shall be made not later than 4:30 p.m. on 31 August 2026 (Monday).

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the proxy form accompanying this circular in accordance with the instructions printed thereon appointing the chairman of the EGM as your proxy, to the Company's Principal Share Registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Shareholders registered in Singapore), or to the Company's Branch Share Registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (for Shareholders registered in Hong Kong) as soon as possible and in any event not later than forty-eight (48) hours before the time of the

EGM (or at any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM, or any adjournment thereof, should you so wish and in such event, the form of proxy shall be deemed to be revoked.

Pursuant to Article 59 of the Constitution of the Company and Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by way of poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the resolution to be proposed at the EGM will be voted by way of poll by the Shareholders.

As at the Latest Practicable Date, 2,326,000 unvested Shares were held by the trustee under the share award scheme of the Company adopted on 21 October 2024 and the trustee will abstain from voting on the resolution at the EGM pursuant to Rule 17.05A of the Listing Rules.

RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the opinion that terms of the Contracts are fair and reasonable and on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution set out in the notice of EGM enclosed to this circular.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

As the Transactions are subject to the Shareholders' approval under Chapter 14 of the Listing Rules, the Transactions may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the equity securities of the Company.

By Order of the Board
Hengxin Technology Ltd.
Peng Yinan
Executive Director

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements, together with the accompanying notes to the financial statements, of the Group for the three years ended 31 December 2023, 31 December 2024 and 31 December 2025, are disclosed in the following documents which have been published on the websites of the Stock Exchange (http://www.hkexnews.hk) and on the website of the Company (www.hengxin.com.sg).

- 2025 Annual Report, pages 103 to 192
  https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0429/2026042901976.pdf

- 2024 Annual Report, pages 107 to 200:
  https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0429/2025042902552.pdf

- 2023 Annual Report, pages 89 to 180:
  https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0328/2024032805268.pdf

2. SUFFICIENCY OF WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that the Group will have sufficient working capital to meet its present requirements for at least 12 months from the Latest Practicable Date.

The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

3. INDEBTEDNESS STATEMENT

As at the close of business on 30 June 2026, being the most recent practicable date for the purpose of indebtedness statement of the Group prior to the publication of this circular, the Group had the following outstanding indebtedness:

	RMB'000
Bank loans	
– Unsecured and unguaranteed	347,176
– Secured and guaranteed	993,574
– Unsecured and guaranteed	522,645
– Secured and unguaranteed	97,600
Lease liabilities	49,461
	2,010,456

As at the close of business on 30 June 2026, being the latest practicable date for the purpose of this statement of indebtedness, the Group had secured bank loans of approximately RMB1,091,174,000, of which (1) RMB709,200,000 were secured by the Group's the income receipts right in relation to the sales of electricity and the certain property, plant and equipment of stations; (2) RMB97,600,000 were secured by the Group's pledged deposits amounting to RMB100,000,000; and (3) RMB284,374,000 were secured by equity interests in a subsidiary of the Group. The Group's bank loans of approximately RMB1,516,219,000 were guaranteed by subsidiaries of the Group.

Save as aforesaid and apart from intra-group liabilities, as at 30 June 2026, the Group did not have any debt securities issued and outstanding, any authorised or otherwise created but unissued, term loans, other borrowings, indebtedness in nature of borrowings including bank overdrafts, liabilities under acceptances (other than normal trade bills) or acceptance credits, hire purchase commitments, debentures, mortgages, charges, recognised lease liabilities, which are either guaranteed, unguaranteed, secured, or unsecured, or other contingent liabilities or guarantees outstanding at the close of business.

4. NO MATERIAL ADVERSE CHANGE

The Directors confirmed that there was no material adverse change in the financial or trading position or outlook of the Group since 31 December 2025 (being the date to which the latest audited consolidated financial statements of the Group were made up) and up to and including the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The year 2025 marks a year of profound global economic adjustments and accelerated evolution in the geopolitical landscape, while also serving as a pivotal year of planning for the "15th Five-Year" Plan of China. In the face of a complex macroeconomic environment, the Chinese government has led the development of a modern industrial system through technological innovation, placing the "development of new quality productive forces" at the core of its strategic agenda. Continued policy support and resource allocation toward strategic emerging industries and future-oriented sectors delivered historic opportunities for the transformation and upgrading of high-end manufacturing industry. The industries in which the Company operates, namely integrated circuits and digital technology, new energy and services, and cabled and wireless communication, etc., are not only national strategic priorities but also quintessential examples of new quality productive forces (新質生產力). Amidst both opportunities and challenges, these sectors are entering a new phase of structural growth.

(I) Integrated Circuits and Digital Technology Business Segment

As of the Latest Practicable Date, the Integrated Circuits and Digital Technology business segment had an order backlog of over RMB206.55 million, representing 77% of the segment's full-year revenue for 2025.

According to the latest report from market research firm Omdia, the overall China semiconductor market is forecast to reach US$812.08 billion in 2026, representing an increase of approximately 92.9% year-on-year and an significant upward revision of approximately US$265.6 billion from previous forecasts, primarily driven by AI computing infrastructure and accelerated domestic substitution. The memory chip market is expected to surge by 262.9% to US$449.6 billion, with its market share rising from 29.4% in 2025 to 55.4%. Chip design, being the most flexible segment of the semiconductor industry chain, is well-positioned to benefit from this market expansion. According to data from the Integrated Circuit Design Branch of the China Semiconductor Industry Association, sales of China's chip design industry have reached RMB826.0 billion, and with the IDM system included, the industry is expected to cross the RMB1 trillion mark for the first time.

The implementation of the Data Security Law and the Personal Information Protection Law has driven rapid expansion of the data security market. According to data from Zhiyan Consulting, China's data security market reached RMB16.8 billion in 2025, representing an increase of 25.37% year-on-year, and is expected to reach RMB28.75 billion in 2026, with a compound annual growth rate of 25.2% over the next three years. The commercial cryptography market reached RMB15.36 billion in 2024, up 21.6% year-on-year, and is expected to exceed RMB28 billion by 2027. In addition, the privacy-preserving computing market is expected to exceed RMB15 billion by 2026, maintaining a compound annual growth rate of over 30%. At the industry level, China's IC design market share is expected to reach 45% by 2026, with its influence in the global semiconductor market continuing to grow.

(II) New Energy and Services Business Segment

According to information disclosed by the Qinghai Provincial Government, the Delingha 50 MW CSP demonstration plant, as the first large-scale commercial project in China, achieved record-high grid-connected electricity generation in 2025, with utilisation hours ranking first in the industry for two consecutive years, providing stable clean baseload power and peak-shaving capacity to the grid. In 2025, the Group's total O&M scale exceeded 1.1 GW, ranking first globally among CSP O&M service providers.

According to CSPPLAZA industry data, China's total installed CSP capacity is expected to surpass Spain and rank first globally in 2026. Global CSP projects under construction exceed 15 GW, with total investment reaching US$42.0 billion, up 28% from 2024. The Chinese molten salt thermal storage and concentrated solar power market reached RMB37.808 billion in 2025. According to the Renewable Energy Development Plan for the 15th Five-Year Plan Period jointly issued by the National Development and Reform Commission and the National Energy Administration, China aims to achieve a total installed CSP capacity of 15 GW by 2030.

The Qinghai Project, as the world's largest tower-type CSP project in terms of installed capacity, has been successfully designated as a 2024 solar thermal power demonstration (pilot) project in Qinghai Province and is expected to generate stable long-term operating cash flows for the Group over a period of 25 years. According to information disclosed on the Qinghai Provincial Government's official website, the Qinghai Project is equipped with a 14-hour ultralong duration energy storage system, which will effectively address the industry challenge of "surplus daytime generation and deficit at night" for renewable energy. Upon completion, the project is expected to generate 985 million kWh of electricity annually, sufficient to meet the annual clean electricity needs of 500,000 households, while saving 295,000 tonnes of standard coal and reducing CO_2 emissions by 1.5303 million tonnes annually. The project is the world's largest tower-type CSP project in terms of both installed capacity and energy storage capacity among projects under construction, and planned. Qinghai Province has introduced the first provincial-level CSP support policy in China, the "Several Measures of Qinghai Province on Promoting the Large-scale Development of CSP", which provides support policies including guaranteed feed-in tariff floor price for CSP projects.

(III) Cabled and Wireless Communications Business Segment

In 2026, the combined capital expenditure of the three major domestic telecommunications operators is expected to be approximately RMB259.6 billion, representing a year-on-year decline of 8%, with the investment focus shifting from "5G scale coverage" to "5G-A capability upgrades + deep investment in computing power networks". In parallel with the continued optimisation of 5G networks, pre-research into 6G technology has become an important investment direction for operators. Global mobile network infrastructure spending is expected to peak at approximately US$92 billion in 2026-2027.

China Telecom's 2026 centralized procurement of antenna products has a total scale of 4,389,900 units, including 554,700 units of camouflaged antennas and 160,900 units of medium- and high-frequency green base station antennas. China Mobile has also initiated supplementary centralized procurement of green multi-band base station antenna products. As of the Latest Practicable Date, the Group's bid-winning amounts in centralized procurement projects of major telecommunications operators and provincial telecommunications operators in Mainland China, as well as from enterprise-level customers, exceeded RMB1.2 billion. With the large-scale construction of 5G networks nearing completion, investment in new traditional macro base station construction is slowing down, but demand from sub-segments such as urban deep coverage, indoor distribution systems, and camouflaged antennas continues to be released. Indoor coverage, as a critical component of the "last kilometre" of mobile communication networks, will continue to drive growth in demand for indoor antennas and distribution systems.

Since 31 December 2025 (being the date to which the latest audited consolidated financial statements of the Group were made up) and up to and including the Latest Practicable Date, there has been no material adverse change in the financial or trading position or outlook of the Group.

Having considered the above and the factors mentioned in the sections headed "REASONS FOR AND BENEFITS OF THE TRANSACTIONS" "OVERALL BUSINESS STRATEGY AND DEVELOPMENT DIRECTION OF THE GROUP" and "DETAILED STRATEGIES, OPPORTUNITIES AND CHALLENGES OF THREE BUSINESS SEGMENTS" in the letter from the board of this circular, the Directors are of the view that the Transactions as well as the investments in the Qinghai Project align with the Group's long-term business development strategy and asset allocation strategy to further strengthen the business layout in the new energy and services business segment, and that the Qinghai Project is expected to have a positive impact on the Group's future development and the sustainability of its profitability.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests of Directors and chief executive of the Company

As at the Latest Practicable Date, the interests or short positions of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Director or chief executive was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange were as follows:

Long positions in the Shares and underlying shares of the Company:

Name of Directors	Capacity and nature of interests	Number of Shares	Approximate percentage of the Company's issued share capital
Mr. Cui Wei *Note 1*	Interest in controlled corporation	108,868,662	23.38%

Note:

1. Mr. Cui Wei, the Chairman and non-executive Director of the Company, beneficially owns the entire share capital of Kingever Enterprises Limited ("**Kingever**") and accordingly is deemed to be interested in the Shares as held by Kingever by virtue of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, the chief executive of the Company nor their associates, had any other interests or short positions in the Shares, underlying Shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Director or chief executive of the Company is taken or deemed to have under such provisions of the SFO); or which (b) were required to be entered into the register maintained by the Company, pursuant to Section 352 of the SFO; or which (c) were required to be notified to the Company or the Stock Exchange, pursuant to the Model Code for Securities Transaction by Directors of Listed Companies contained in the Listing Rules.

(b) Substantial Shareholders and persons having 5% or more shareholding

As at the Latest Practicable Date, the register of substantial shareholders maintained under Section 336 of the SFO shown that the Company has been notified of the following interests, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and the chief executive of the Company.

Long positions in the Company:

Name of substantial shareholders	Capacity and nature of interests	Number of ordinary share held	Approximate percentage of the Company's issued share capital
Kingever *(Note)*	Beneficial owner	108,868,662	23.38%
Mr. Cui Wei *(Note)*	Deemed interest and interest in controlled corporation	108,868,662	23.38%

Note: Kingever is a company incorporated in the British Virgin Islands, the entire issued share capital of which is beneficially owned by Mr. Cui Wei. Mr. Cui Wei has full authority to exercise control over the voting right in respect of the Shares held by Kingever. Save for Mr. Cui Wei in his capacity as the sole director of Kingever, none of the Company's other Directors are directors or employees of Kingever.

Save as disclosed above, as at the Latest Practicable Date, the Directors and chief executive of the Company were not aware of any person (other than a Director or chief executive of the Company) who had any other interests or short positions in the Shares or underlying Shares and debentures of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

3. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing service contract or proposed service contract with any member of the Group which will not expire or is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS

As at the Latest Practicable Date:

(a) none of the Directors was materially interested, directly or indirectly, in any contract or arrangement subsisting which was significant in relation to the business of the Group, save and except for Mr. Cui Wei has material interest in the following contracts: (i) the equity transfer agreement dated 7 December 2025, the supplemental agreement dated 30 December 2025 to the said equity transfer agreement and the Financial Services Framework Agreement dated 26 June 2026, referred to in the paragraphs (b), (c) and (i) respectively in "8. Material Contracts" below; (ii) the conditional framework agreement dated 1 August 2024, details of which are set out in the announcement of the Company dated 1 August 2024, circular of the Company dated 22 August 2024 and the poll results announcement of the Company dated 9 September 2024; and (iii) the material purchase master agreement dated 31 October 2025 and the products sales master agreement dated 31 October 2025, details of which are set out in the announcement of the Company dated 31 October 2025, circular of the Company dated 12 December 2025 and the poll results announcement of the Company dated 30 December 2025; and

(b) none of the Directors nor their respective associates had any direct or indirect interests in any assets which had been acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to, any member of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors and their respective associates had any interest in a business which competes or may compete with the businesses of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them was a controlling shareholder of the Company).

6. DOCUMENTS ON DISPLAY

Electronic copies of the following documents are available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hengxin.com.sg) for a period of 14 days from the date of this circular:

(a) the Construction Contract;

(b) the Supply Contract;

(c) the Installation Contract;

(d) the material contracts referred to in the paragraph headed "8. Material Contracts" below in this appendix; and

(e) this circular.

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and, so far as the Directors are aware, no litigation, arbitration or claim of material importance was pending or threatened against any member of the Group.

8. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business of the Group) had been entered into by members of the Group within the two years immediately preceding the Latest Practicable Date and are or may be material:

(a) the subscription document dated 3 September 2024 executed by Zhejiang Zhongguang New Energy Technology Co., Ltd.* (浙江中光新能源科技有限公司) in relation to the subscription of wealth management product issued and managed by China International Capital Corporation Limited 中國國際金融股份有限公司 at the subscription amount of RMB40 million;

(b) the equity transfer agreement dated 7 December 2025 ("**Equity Transfer Agreement**") entered into between the Company (as the vendor), Hengtong Group Co., Ltd (亨通集團有限公司) (as the purchaser) and Jiangsu Hengxin Technology Co., Ltd (江蘇亨鑫科技有限公司) (as the target company), in relation to the disposal of 39% of the equity interest of Jiangsu Hengxin Technology Co., Ltd (江蘇亨鑫科技有限公司) by the Company to Hengtong Group Co., Ltd (亨通集團有限公司) for the consideration of RMB500 million;

(c) the supplemental agreement dated 30 December 2025 to the Equity Transfer Agreement entered into between the Company (as the vendor), Hengtong Group Co., Ltd (亨通集團有限公司) (as the purchaser) and Jiangsu Hengxin Technology Co., Ltd (江蘇亨鑫科技有限公司) (as the target company) in relation to the amendment of the payment arrangement of the consideration of RMB500 million;

(d) the construction consultation service contract dated 24 December 2025 entered into between Qinghai Zhongkong Solar Power Co., Ltd. (青海眾控太陽能發電有限公司) (an indirect non-wholly-owned subsidiary of the Company) and Cosin Solar Technology Co., Ltd. (浙江可勝技術股份有限公司) in relation to the provision of the services for the construction of the Qinghai Project by Cosin Solar Technology Co., Ltd. (浙江可勝技術股份有限公司) to Qinghai Zhongkong Solar Power Co., Ltd. (青海眾控太陽能發電有限公司) for the total service fee of RMB120 million (tax inclusive);

(e) the land use compensation agreement concerning the Qinghai Project dated 29 December 2025 entered into between Qinghai Zhongkong Solar Power Co., Ltd. (青海眾控太陽能發電有限公司) (an indirect non-wholly-owned subsidiary of the Company) and Village Committee of Chahansha Village, Keluke Town, Delingha City, Qinghai Province, the People's Republic of China (中華人民共和國青海省德令哈市柯魯柯鎮茶漢沙村村民委員會) in relation to the lease of 9,450.9376 mu of natural grassland within the jurisdiction of Chahansha Village, Keluke Town, Delingha City, Qinghai Province, the People's Republic of China (中華人民共和國青海省德令哈市柯魯柯鎮茶漢沙村), at the lease amount of RMB17,200,706.432;

(f) the land use compensation agreement concerning the Qinghai Project dated 29 December 2025 entered into between Qinghai Zhongkong Solar Power Co., Ltd. (青海眾控太陽能發電有限公司) (an indirect non-wholly-owned subsidiary of the Company) and Village Committee of Taositu Village, Xuji Township, Delingha City, Qinghai Province, the People's Republic of China (中華人民共和國青海省德令哈市蓄集鄉陶斯圖村村民委員會) in relation to the lease of 11,413.1448 mu of natural grassland within the jurisdiction of Taositu Village, Xuji Township, Delingha City, Qinghai Province, the People's Republic of China (中華人民共和國青海省德令哈市蓄集鄉陶斯圖村), at the lease amount of RMB20,771,923.536;

(g) the contract dated 26 March 2026 entered into between Nanjing Zhangyu Information Technology Co., Ltd* (南京掌御信息科技有限公司) (an indirect wholly-owned subsidiary of the Company) and Suzhou Honghuiheng Metal Industrial Co., Ltd * (蘇州鴻輝恒金屬實業有限公司), in relation to procurement of equipment for advanced packaging facility, at the total contract price of RMB92 million (inclusive of 13% tax);

(h) the maximum amount guarantee agreement dated 18 June 2026 entered into between Xin Ke Xin (Suzhou) Technology Co., Ltd.* (鑫科芯(蘇州)科技有限公司) (an indirect wholly-owned subsidiary of the Company) (as the guarantor) and Agricultural Bank of China Limited, Tianjin Jizhou Branch (中國農業銀行股份有限公司天津薊州支行) (the "**Tianjin Bank**") (as the lender), in relation to the provision of the guarantee of up to RMB120,000,000 in favour of the Tianjin Bank to secure the due performance of the repayment obligations by Tianjin Jizhixin Technology Co., Ltd* (天津薊智芯科技有限公司) (as the borrower) under the loan agreement between the said borrower and the Tianjin Bank and any other future loan agreement(s) with principal in aggregate of not more than RMB100,000,000; and

(i) the Financial Services Framework Agreement dated 26 June 2026 entered into between the Company and Hengtong Finance Company Limited* (亨通財務有限公司) (the "**HT Finance**") (a connected person of the Company, as the service provider), in relation to the deposit services, the loan & credit services and the other financial services to be provided by HT Finance to the Group, for the period commencing on 26 June 2026 and expiring on 31 December 2027; with the following annual caps: (i) for the deposit services, the maximum daily deposit balance placed by the Group with HT Finance (including accrued interests) ("**Deposit Cap**") for the period from 26 June 2026 to 31 December 2026 being RMB200 million and the Deposit Cap for the financial year ending 31 December 2027 ("**FY2027**") being RMB200 million; (ii) for the loan & credit services, the maximum daily balance of the loans provided by HT Finance to the Group (including accrued interests) ("**Loan Cap**") for the period from 26 June 2026 to 31 December 2026 being RMB500 million and the Loan Cap for the FY2027 being RMB500 million; and (iii) service fees payable to HT Finance by the Group in relation to other financial services for the period from 26 June 2026 to 31 December 2026 being capped at RMB500,000 and the service fees payable to HT Finance by the Group in relation to other financial services for FY2027 being capped at RMB500,000.

9. MISCELLANEOUS

Ms. Lin Yubin, Esther (who is qualified as a certified corporate secretary in the Republic of Singapore) and Mr. Chan Ting (who is qualified to practise as solicitor in Hong Kong) are the joint company secretaries of the Company.

The registered office of the Company is at 460 Alexandra Road, #28-01 mTower, Singapore 119963. The principal share registrar and transfer agent of the Company in Singapore is Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632. The branch share registrar and transfer office of the Company in Hong Kong is Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong. The head office and principal place of business of the Company in Singapore is 5 Tampines Central 1, #06-05 Tampines Plaza 2, Singapore 529541.

The English text of this circular and the accompanying form of proxy shall prevail over the Chinese text in the event of inconsistency.

HENGXIN TECHNOLOGY LTD.
亨鑫科技有限公司*

(carrying on business in Hong Kong as HX Singapore Ltd.)
(incorporated in Republic of Singapore with limited liability)
(Stock Code: 1085)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**Meeting**") of Hengxin Technology Ltd. (the "**Company**") will be held on 11 September 2026 (Friday) at 11:00 a.m. at Unit 08, 43/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong for the purpose of considering, and if thought fit, passing (with or without modifications) the following resolution as an ordinary resolution:

Unless the context requires otherwise, capitalised terms used herein shall have the same meaning as those defined in the circular of the Company dated 24 August 2026.

ORDINARY RESOLUTION

"To (a) approve, confirm and ratify (i) the Construction Contract dated 12 June 2026 entered into between the Group and GCL Green Energy as the contractor, (a copy of which has been produced at the Meeting and marked "A", and initialed by the chairman of the Meeting for identification purpose); (ii) the Supply Contract dated 12 June 2026 entered into between the Group and Lvyuan Xinneng as the supplier, (a copy of which has been produced at the Meeting and marked "B", and initialed by the chairman of the Meeting for identification purpose); and (iii) the Installation Contract dated 12 June 2026 entered into between the Group and GCL Green Energy as the contractor, (a copy of which has been produced at the Meeting and marked "C", and initialed by the chairman of the Meeting for identification purpose) and the transactions contemplated thereunder; and (b) approve, ratify and confirm the authorisation to any one director of the Company on behalf of the Company, among other things, to sign, seal, execute and deliver all such documents as he/she may consider necessary, desirable or expedient for the purpose of or in connection with or to give effect to the Construction Contract, the Supply Contract and the Installation Contract and the transactions contemplated thereby, and to waive compliance from or agree and make such amendments of non-material nature to the terms of any of the Construction Contract, the Supply Contract and the Installation Contract that he/she may in his/her discretion consider to be desirable and in the interests of the Company and its shareholders as a whole."

By Order of the Board
Hengxin Technology Ltd.
Peng Yinan
Executive Director

Hong Kong, 24 August 2026

* *For identification purpose only*

Notes:

1. A member of the Company (the "**Member**") entitled to attend and vote at the Meeting is entitled to appoint no more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Member. Where a Member appoints more than one (1) proxy, the Member shall specify the proportion of his/her shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.

2. The instrument appointing a proxy, and if the instrument appointing a proxy is signed by an attorney, the letter or power of attorney or a duly certified copy thereof, must be deposited at the Company's Principal Share Registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Shareholders registered in Singapore), or at the office of the Company's Branch Share Registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (for Shareholders registered in Hong Kong), as soon as possible and in any event not later than forty-eight (48) hours before the time appointed for holding the Meeting (or at any adjournment thereof).

3. If the Member is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.

4. Completion and return of the proxy form will not preclude a Member from attending and voting in person at the Meeting or any adjournment thereof should he/she so wish, and in such event, the proxy form shall be deemed to be revoked.

5. The Principal Share Registrar and Branch Share Registrar of the Company will be closed from 8 September 2026 (Tuesday) to 11 September 2026 (Friday) (both days inclusive), during which period no transfer of shares will be registered. For determining the entitlement to attend and vote at the Meeting, the record date is 11 September 2026 (Friday). In order to qualify for attending the Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Principal Share Registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 (for Shareholders registered in Singapore), or at the office of the Company's Branch Share Registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (for Shareholders registered in Hong Kong) not later than 4:30 p.m. on 7 September 2026 (Monday). Any removal of Shares from the Company's Principal Share Registrar in Singapore to the Branch Share Registrar in Hong Kong for the purpose of attending the EGM shall be made not later than 4:30 p.m. on 31 August 2026 (Monday).

As at the date of this notice, the executive directors of the Company are Mr. Peng Yinan and Mr. Lau Fai Lawrence; the non-executive directors of the Company are Mr. Cui Wei, Mr. Tao Shunxiao and Mr. Zeng Guowei; and the independent non-executive directors of the Company are Mr. Qian Ziyan, Ms. Lin Ting and Mr. Chan Hon Chung Johnny.