

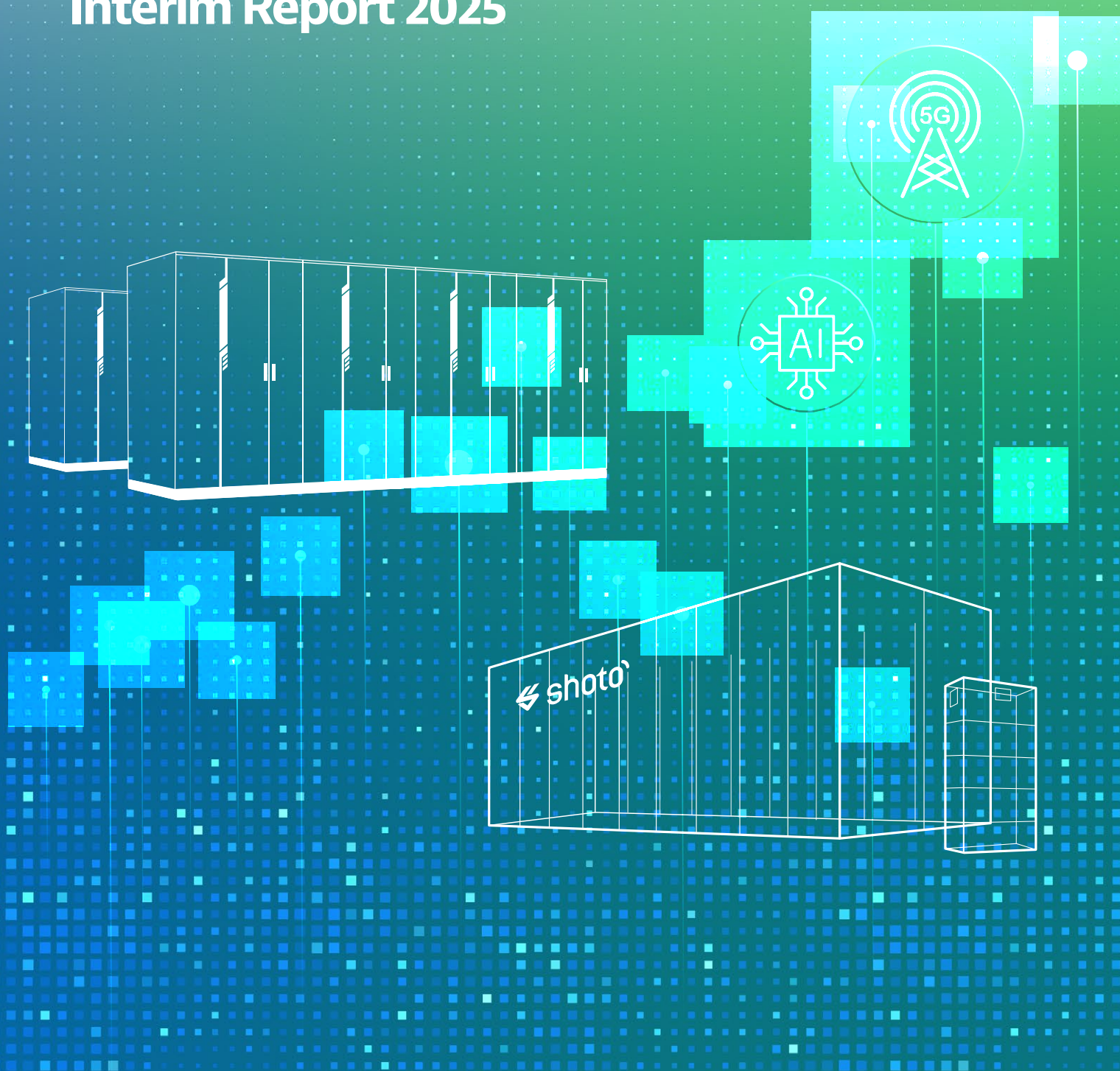


# SHUANGDENG GROUP CO., LTD. 雙登集團股份有限公司

A joint stock company incorporated in the People's Republic of China with limited liability

Stock Code: 06960

## Interim Report 2025



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# Company Profile

## Board of Directors

### Executive Directors

Dr. Yang Rui (楊銳)  
*(Chairman of the Board and Chief Executive Officer)*  
Dr. Yang Baofeng (楊寶峰)  
Ms. He Rong (賀蓉)

### Non-executive Director

Mr. Qian Shangao (錢善高)

### Independent Non-executive Director

Dr. Yin Junming (殷俊明)  
Dr. Wang Jin (王進)  
Dr. Wang Xi (王熹)

## Audit Committee

Dr. Yin Junming (殷俊明) *(Chairman)*  
Dr. Wang Jin (王進)  
Mr. Qian Shangao (錢善高)

## Remuneration Committee

Dr. Wang Jin (王進) *(Chairman)*  
Dr. Yang Rui (楊銳)  
Dr. Yin Junming (殷俊明)

## Nomination Committee

Dr. Wang Jin (王進) *(Chairman)*  
Dr. Yin Junming (殷俊明)  
Dr. Yang Rui (楊銳)

## Strategy Committee

Dr. Yang Rui (楊銳) *(Chairman)*  
Dr. Yang Baofeng (楊寶峰)  
Dr. Wang Xi (王熹)

## Joint Company Secretaries

Ms. He Rong (賀蓉)  
Mr. Tam Ka Lung (譚家龍)

## Authorized Representatives

Ms. He Rong (賀蓉)  
Mr. Tam Ka Lung (譚家龍)

## Legal Advisors

*As to Hong Kong and U.S. laws:*  
O'Melveny & Myers  
31/F, AIA Central  
1 Connaught Road Central  
Hong Kong

*As to PRC law:*  
JC Master Law Offices  
9/F, National Water Resources Building  
Qingjiang South Rd. No. 70  
Nanjing, Jiangsu Province, PRC

## Auditor

Ernst & Young  
Certified Public Accountants and Registered  
Public Interest Entity Auditor  
27/F, One Taikoo Place  
979 King's Road  
Quarry Bay, Hong Kong

## Compliance Advisor

Orient Capital (Hong Kong) Limited  
28/F-29/F  
100 Queen's Road Central  
Central, Hong Kong

## Registered Office

No. 999 Tianmu West Road  
Jiangyan Economic Development Zone  
Taizhou City, Jiangsu Province, PRC



## Company Profile (Continued)

### *Headquarters and Principal Place of Business in the PRC*

No. 999 Tianmu West Road  
Jiangyan Economic Development Zone  
Taizhou City, Jiangsu Province, PRC

### *Principal Place of Business in Hong Kong*

Room 504, 5/F  
Cheong Tai Commercial Building  
60-66 Wing Lok Street, Sheung Wan, Hong Kong

### *Hong Kong Share Registrar*

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor, Hopewell Centre  
183 Queen's Road East, Wai Chai, Hong Kong

### *Principal Bankers*

Agricultural Bank of China Taizhou Shuangdeng Branch

### *Company Website*

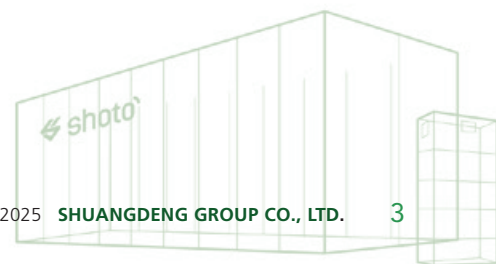
[www.shuangdeng.com.cn](http://www.shuangdeng.com.cn)

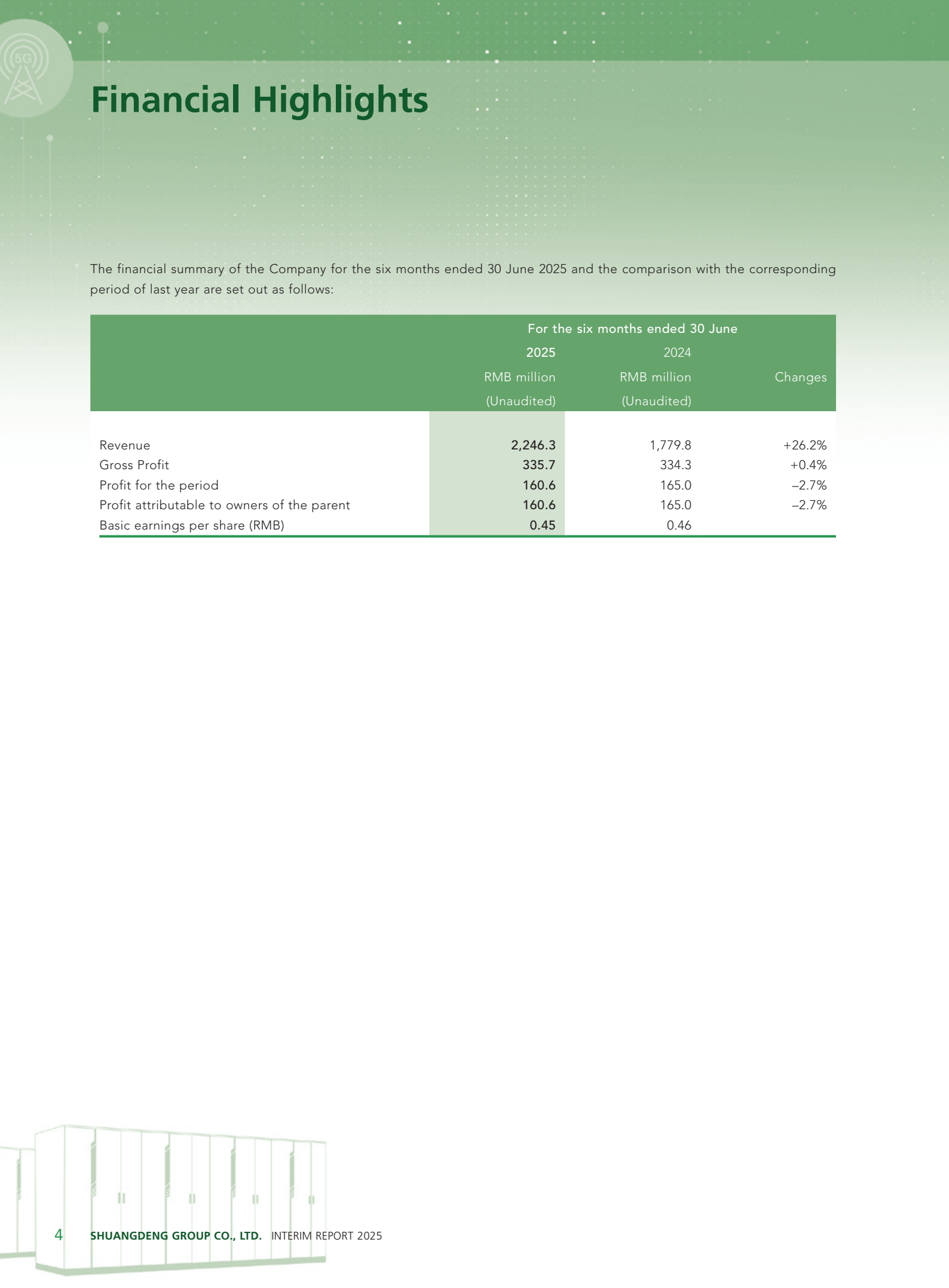
### *Stock Code*

06960

### *Listing Date*

26 August 2025





# Financial Highlights

The financial summary of the Company for the six months ended 30 June 2025 and the comparison with the corresponding period of last year are set out as follows:

|                                             | For the six months ended 30 June |                            | Changes |
|---------------------------------------------|----------------------------------|----------------------------|---------|
|                                             | 2025                             | 2024                       |         |
|                                             | RMB million<br>(Unaudited)       | RMB million<br>(Unaudited) |         |
| Revenue                                     | 2,246.3                          | 1,779.8                    | +26.2%  |
| Gross Profit                                | 335.7                            | 334.3                      | +0.4%   |
| Profit for the period                       | 160.6                            | 165.0                      | -2.7%   |
| Profit attributable to owners of the parent | 160.6                            | 165.0                      | -2.7%   |
| Basic earnings per share (RMB)              | 0.45                             | 0.46                       |         |

# Management Discussion and Analysis



As a global leading new energy technology company of AIDC data center and telecom energy storage, the Group is committed to providing foundational energy solutions for “connectivity + computing power” in the era of AI computing. During the Reporting Period, the Company recorded robust overall revenue growth and demonstrated a gradual improvement in profitability, as detailed below:

## 1. Overall Revenue Scale and Growth Performance

During the Reporting Period, the Company achieved operating revenue of RMB2,246.3 million, representing an increase of 26.2% year-on-year. Revenue growth maintained a steady pace, demonstrating strong business resilience.

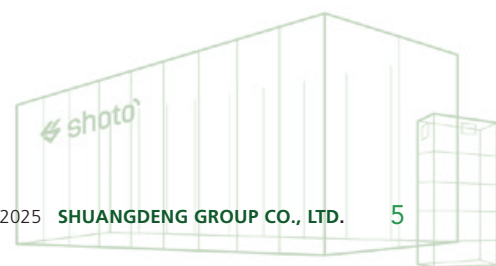
## 2. AIDC Data Center Energy Storage Business: Core Growth Engine Reshaping the Revenue Structure

The AIDC data center energy storage business has become the key growth driver of the Company's revenue, not only expanding revenue scale, but also achieving an optimized upgrade in revenue structure:

**Breakthrough in Revenue Scale and Share:** During the Reporting Period, revenue from the AIDC data center business reached RMB1,028 million, accounting for 47.2% of the Company's total revenue. It surpassed the traditional telecom energy storage business for the first time and officially became the largest revenue contributor to the Company, marking a key achievement in the transformation of the Company's revenue structure from “structure dominated by traditional telecom energy storage” to “AIDC-driven”.

**Positive Impact on Profitability:** AIDC data center energy storage products carry high added value. The growing contribution from this segment not only optimized the revenue mix, but is also expected to further enhance the overall gross profit margin due to economies of scale unleashed by large-scale product delivery, further laying a solid foundation for sustained profitability growth.

**3. Increased Investment in Research and Development:** The Company continued to increase its investment in research and development, with research and development expenses rising by 28.7% year-on-year. Guided by the principle of “technical deepening + scenario adaptation”, the Group focused on core areas including AIDC data center energy storage, new battery technologies and intelligent energy management, achieving multi-dimensional value breakthroughs.





# Management Discussion and Analysis (Continued)

## INDUSTRY OVERVIEW

In 2025, the explosive surge in global demand for Artificial Intelligence Data Center (AIDC) computing power has been a powerful driver for the large-scale construction of AIDC data centers. This trend is particularly evident amid the global “computing power arms race”. The four major overseas cloud providers, namely Google, Meta, Microsoft and Amazon, all raised their capital expenditure plans in their financial reports for the second quarter of 2025. Quarterly capital expenditure reached US\$95.8 billion (approximately RMB685.8 billion), representing an increase of 64% year-on-year. Google increased its full-year capital expenditure from US\$75.0 billion to US\$85.0 billion. Microsoft expects its capital expenditure in the next quarter to exceed US\$30 billion. Amazon plans to invest approximately US\$105.0 billion. These massive investments are primarily allocated to AIDC data center construction, in order to meet the deployment needs of GPU clusters at the thousand-card scale and ten-thousand-card scale, further driving the adoption of advanced data center energy technologies such as liquid cooling and modularization.

The domestic market is also accelerating. Leading cloud providers Alibaba and Tencent have explicitly directed their 2025 capital expenditure, exceeding RMB100 billion, toward AIDC data centers. ByteDance’s AIDC data center capital expenditure in 2025 is projected to exceed RMB150 billion, representing an increase of 60% year-on-year. Meanwhile, despite overall declines in total capital expenditure among the three major telecom operators and continued optimization of capital expenditure structure, the share of investments allocated to computing power has risen significantly. The three top operators’ total planned capital expenditure for 2025 is RMB289.8 billion. China Mobile allocated 25% of its capital expenditure to computing power. China Unicom and China Telecom increased their computing investments by 28% and 22%, respectively. It is expected that the demand has become the core growth driver of these investments. This structural adjustment is accelerating the deployment of intelligent computing centers. For example, China Mobile launched ten-thousand-card-level AI computing centers in Hohhot and Harbin and China Telecom completed a fully-liquid-cooling pool for a ten-thousand-GPU cluster, achieving 29.2 EFLOPS and 35 EFLOPS of intelligent computing capacity.

Under the dual momentum of exploding AI computing demand and the “dual carbon” goals, China has already established a multi-layered policy framework supporting data center energy storage, elevating energy storage systems from “optional configuration” to “rigid requirements” for data centers. This policy system is built on technological innovation, project implementation, and safety standards, forming a support network that covers the entire lifecycle of research and development, construction, and operations. It provides strong institutional guarantees for the iteration and scaling of AIDC energy storage technologies. The Action Plan for High-Quality Development of the New Energy Storage Manufacturing Industry (「新型儲能製造業高質量發展行動方案」), jointly issued by eight ministries including the Ministry of Industry and Information Technology (MIIT) in February 2025, marks a milestone. For the first time, the plan explicitly proposed “the deployment of new energy storage in key sectors such as data centers and intelligent computing centers”, marking energy storage as a mandatory component of digital infrastructure construction. In May 2025, the National Development and Reform Commission (NDRC) and the National Energy Administration jointly released the Notice on Matters Related to the Orderly Promotion of Green Power Direct Supply (「關於有序推動綠電直連發展有關事項的通知」), which encourages and supports the adoption of green power direct supply. For the data center industry, the use of green power direct supply is regarded as the most effective approach to carbon reduction. In July 2025, MIIT, NDRC, the Ministry of Commerce, the National Financial Regulatory Administration, the National Government Offices Administration and the National Energy Administration jointly issued the Notice on the Organization of the 2025 National Green Data Center Recommendation Program (「關於組織開展二零二五年度國家綠色數據中心推薦工作的通知」). Data centers equipped with storage penetration rates of 10% or higher of new energy storage technologies, are awarded additional points in green data center evaluations.



## Management Discussion and Analysis (Continued)

In the telecommunications sector, during the first half of 2025, the deepening integration of 5G with IoT and AI further reinforced 5G as the core infrastructure driving the digital economy, with both coverage breadth and depth expanding rapidly. 5G networks continued to accelerate penetration globally, while China consolidating its leadership position through economies of scale. Meanwhile, the integration of AI and telecom deepened and commercialization continued to increase, thereby jointly propelling telecommunications technology beyond traditional boundaries, embedding it more deeply into social production and daily life, and providing critical support for digital economic development.

Regionally, the Asia-Pacific remains the core area for 5G deployment. As of June 2025, nine countries in the region had launched a total of 39 commercial 5G mobile networks, of which 17 were Standalone (SA) commercial networks. The rising share of SA deployments highlights the trend toward more efficient and intelligent network architectures.

China continued to maintain a global leading position in 5G base station deployment. According to MIIT data, as of the end of the first half of 2025, the total number of 5G base stations in China reached 4,549,000, representing a net increase of 298,000 from the end of 2024. The proportion of 5G base stations rose to 35.7% of all mobile base stations, up by 1.3 percentage points from the first quarter of 2025. This further reinforced both the density and depth of network coverage, providing a solid foundation for the deployment of AI, industrial internet and other applications.

From January to June 2025, China's newly installed capacity of energy storage reached 42.6 GWh, representing an increase of 27.5% year-on-year. According to Rho Motion, a market research firm, global installed capacity of battery energy storage system reached 86.7 GWh during the period from January to June 2025, representing an increase of 54% year-on-year. Due to their massive electricity demand, where a 100,000-GPU cluster consumes as much power as 75,000 households, AIDC data centers have become the core user-side scenario for energy storage applications.

### TECHNOLOGY DEVELOPMENT TRENDS

**Diversification and innovation of battery technologies:** In addition to ongoing advancements in traditional lead-acid batteries and lithium-ion batteries, emerging technologies such as sodium-ion batteries are gradually gaining traction. The Company and Tsinghua University jointly developed China's first low-temperature intelligent sodium-ion battery for telecommunications, which has already entered mass production. The battery specifically addresses the challenge of charging at low temperatures, enabling normal charging and discharging at  $-30^{\circ}\text{C}$ , with a cycle life exceeding 4,000 cycles, effectively addressing the core storage challenges of telecom base stations in extremely cold regions. Going forward, a variety of battery technologies will show a diversified development trend based on the needs of different scenarios to meet increasingly diversified market demands for energy storage.

**Advancement in intelligent management technologies:** With the increasing scale of energy storage systems and the complexity of their applications, intelligent management technologies have become critical to enhancing performance and reliability. Intelligent platforms such as the energy storage AI smart-eye system, integrating advanced algorithms and models, enable full-dimensional intelligent protection and real-time monitoring from "cell – module – system". These solutions provide proactive alerts and smart decision-making capabilities, significantly reducing operation and maintenance costs while improving efficiency and safety. This represents an important direction for the future development of energy storage technologies.



# Management Discussion and Analysis (Continued)

## **BUSINESS REVIEW**

The AIDC data center energy storage business is the Company's most critical strategic focus, which achieved multi-dimensional breakthroughs and rapid growth during the Reporting Period, as detailed below:

### **1. Revenue Growth and Market Expansion**

During the Reporting Period, revenue from AIDC data center battery and system businesses reached RMB1.028 billion (RMB1,028 million), representing a year-on-year growth of 113.1%. The business scale and growth rate highlighted its core value. The Company also successfully penetrated overseas markets, achieving coverage in Europe and Southeast Asia, marking a key step in its global expansion.

### **2. Milestone Progress in High-Rate Lithium Battery Products**

During the Reporting Period, the Company achieved four major breakthroughs in its high-rate lithium battery products for AIDC data centers, demonstrating significant enhancements in competitiveness and market recognition:

**Order Breakthrough:** Secured its first overseas order for high-voltage lithium batteries for data centers, breaking into high-end overseas markets;

**Customer Breakthrough:** Shortlisted as a key colocation (data center colocation) service provider for overseas AIDC data centers, gaining access to the supply chain for core overseas colocation scenarios;

**Cooperation Breakthrough:** Completed joint testing and integration of new lithium battery products with major overseas AIDC equipment providers, paving the way for mass supply;

**Application Breakthrough:** Exclusively provided large-scale lithium battery solutions for the AIDC data center of a leading domestic internet company, establishing a benchmark in high-end domestic applications.

### **3. Production Capacity Development Aligned with Market Demand**

To address the surging demand from AIDC data centers, the Company advanced capacity expansion initiatives during the Reporting Period: On one hand, the Company launched a 1 GWh high-rate lead-acid battery expansion project for AIDC data centers, strengthening supply capabilities of its traditional products. On the other hand, the Company completed technical upgrades of high-rate lithium battery cell production lines, enhancing mass production efficiency for new lithium products and ensuring sufficient capacity for sustained business growth.



# Management Discussion and Analysis (Continued)



*In addition to its core AIDC data center energy storage business, the Company's telecom energy storage and power energy storage businesses also demonstrated differentiated growth during the Reporting Period, with key progress as detailed below:*

## **1. Telecom Energy Storage Business: Revenue remained stable, with growth in both shipments and overseas customer acquisition**

During the Reporting Period, the overall telecom energy storage business of the Company maintained stable revenue and reinforced a solid foundation, while product mix and market coverage achieved significant breakthroughs:

**Shipment Growth:** Lithium battery products for telecommunications performed strongly, with shipment volume increasing significantly by 53.38% year-on-year, reflecting the continued recognition of lithium battery technology in telecom energy storage applications;

**Breakthrough in Overseas Markets:** Overseas expansion achieved remarkable progress, successfully entering the supply chains of major operators and tower companies in the Middle East, Africa, and Central America, further strengthening the Company's global telecom energy storage footprint and opening up long-term growth opportunities.

## **2. Power Energy Storage Business: Remarkable results, surging orders and capacity expansion in place**

The Company continued to be ranked in the BNEF Tier 1 global energy storage companies and the power energy storage business recorded multiple breakthroughs during the Reporting Period, achieving key progress in customer collaboration, order scale, and production capacity, including:

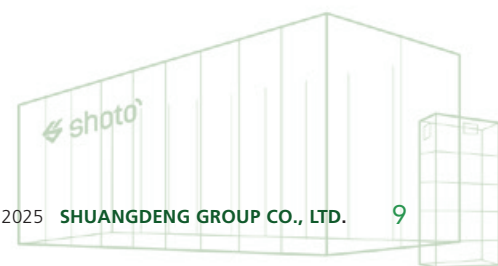
### **Customer and Order Breakthroughs:**

**Domestic:** Successfully entered the supplier system of a well-known domestic power construction company, laying the foundation for participation in large-scale domestic energy storage projects;

**Overseas:** Entered into a GWh-level strategic cooperation agreement on containerized storage with a leading overseas renewable power station investor and developer, directly driving a substantial year-on-year increase in power storage business orders;

**Production Capacity Support in Place:** The self-built 314Ah lithium battery cell of 2.5G plant was successfully put into operation. This will further enhance the quality stability of power storage products and improve cost control capabilities, providing core capacity support for order delivery;

**Revenue Realization Pace:** Due to the construction cycle of power energy storage projects, revenue from the abovementioned new orders is expected to be gradually realized in the second half of the Reporting Period, providing significant support to the Company's annual performance growth.





# Management Discussion and Analysis (Continued)

## TECHNOLOGY RESEARCH AND DEVELOPMENT:

During the Reporting Period, the Company continued to increase research and development investment and strengthen its innovation capabilities, achieving notable progress in product development, patent filings, and certification breakthroughs, thereby providing strong technical support for business growth as detailed below:

### 1. Increased Research and Development Investment

Research and development expenses increased 28.7% year-on-year during the Reporting Period. The steady increase in investment provided strong support for technological innovation and product iteration, reflecting the Company's focus on independent control of core technologies and further consolidating its technological competitiveness.

### 2. Core Technological and Product Innovations

Leveraging research and development investment, the Company introduced multiple innovative products and solutions in AIDC data center energy storage and power energy storage, enhancing competitiveness while addressing diverse application needs:

**Intelligent Management System Upgrade:** Launched the latest generation of intelligent AI battery management system, Battery Digital Brain PBSRD Digit 2.0, further improving intelligent management, and operation and maintenance efficiency of the battery system;

**AIDC Data Center Energy Storage Specified Product Innovation:** Introduced the innovative AIDC "Jinwei" (「浸衛」) high-voltage lithium battery system, along with customized diversified solutions for different "source-grid-load-storage integration" application scenarios of AIDC data centers, precisely matching them to specific scenarios;

**Energy Storage System Iteration:** Released a new 5 MWh standardized energy storage system based on semi-solid-state cell technology and a 1P104S structure, achieving breakthroughs in energy density, safety and standardization, suitable for large-scale storage applications.

### 3. Patents and Certification Breakthroughs

**Patent Portfolio Continued to Expand:** The Company filed 65 new patent applications and obtained 10 patent grants (including 3 invention patents) during the Reporting Period, with both quantitative and qualitative improvements in technological innovation, reflecting the Company's sustained and stable technological innovation capabilities and also providing support for the construction of product technology moats;



# Management Discussion and Analysis (Continued)

**Product Certifications Fully Implemented:** Multiple core products obtained domestic and international certifications, paving the way for market expansion:

- Immersed high-rate lithium battery modules for AIDC smart computing centers have passed UN38.3 certification, while its immersed high-rate lithium battery system has achieved EMC and IEC62619 certifications;
- High-rate lithium battery modules for AIDC data centers have passed UL9540A certification;
- High-rate lithium battery system cabinets for data centers have passed a 8-intensity seismic test, fully validating product reliability in complex environments and laying a solid foundation for domestic and international market expansion;
- 314Ah lithium iron phosphate battery cells and system have passed the latest national standard GB36276–2023 and safety standard GB44240–2024 certifications; and
- The 104-series 5 MWh battery pod for energy storage has obtained IEC62619, IEC62477 and other international certifications.

## FUTURE OUTLOOK

The rise of the AI era is irreversible. As the core infrastructure underpinning the explosive growth of intelligent computing power, AIDC will see sustained demand for green solutions, high density and global deployment, creating vast market opportunities for energy storage-related business. The Company will leverage its strengths to capture growth opportunities while further enhancing competitiveness through technology conversion and cost control, as detailed below:

### 1. Broad Market Potential of AIDC Data Center Energy Storage

According to Frost & Sullivan, global newly installed AIDC energy storage capacity will surge from 16.5 GWh in 2024 to 209.4 GWh in 2030, representing a compound annual growth rate of 52.7%. This fully demonstrates the enormous growth potential in AIDC data center energy storage and presents favorable opportunities for industry enterprises.

### 2. Benefit from Market Growth through Competitive Advantages

With significant strengths in technology, customers and market share, the Company is well positioned to benefit from this growth trend. Accordingly, revenue from the AIDC data center business is expected to maintain high growth, driving overall revenue expansion of the Company and consolidating the Company's leadership position in this sector.

### 3. Enhance Competitiveness through Technology Conversion and Product Innovation

Research and development achievements in lithium and sodium battery new technologies will be gradually turned into tangible productivity and economic benefits, providing technical support for business development. Meanwhile, the continuous launch of new products will enrich the Company's product portfolio, better meet diverse customer demands, increase competitiveness and added value, thereby driving the Company's overall gross profit margin and optimizing the profit structure.



# Management Discussion and Analysis (Continued)

## 4. Promote Cost Control Through Multiple Measures

In terms of cost control, by optimizing supply chain management, deepening supplier partnerships and improving internal operational efficiency, the Company aims to further reduce production and operating costs, thereby providing strong protection for enhancing profitability, strengthening market competitiveness.

To capture the growth opportunities in AIDC data center energy storage in the AI era and consolidate industry leadership, the Company has formulated a core business strategy of "AIDC as the core with multi-dimensional synergy", as detailed below:

### 1. Strengthen AIDC Strategic Position and Expand Global Market Coverage

Focusing on the high-growth momentum of the AIDC market, the Company adopts a dual approach of "Flagship Products + Regional Deepening" to expand market presence:

**Product and Demonstration Effect in Place:** With a focus on promoting core products such as high-rate lithium batteries and immersed lithium iron phosphate battery module for AIDC, leveraging the demonstration effect of the first large-scale domestic AIDC lithium battery project, the Company will secure follow-up bulk orders and consolidated the domestic market foundation;

**Layered Overseas Regional Breakthroughs:** The Malaysia plant acts as a supply hub to accelerate product delivery capacity in Southeast Asia. The Singapore subsidiary is positioned as a strategic base to deepen penetration of AIDC storage products in Europe, driving scale replication of cooperation with overseas AIDC operators and Colocation (data center hosting) service providers, thereby upgrading global market coverage.

### 2. Accelerate the Transformation of Production Capacity and Technology, and Advance the Construction of Localized Production Capacity Overseas

The Company ensures business growth from three aspects: "Capacity Efficiency + Technology Commercialization + Local Deployment":

**Domestic Capacity Optimization:** The Company will advance the 1GWh high-rate lead-acid battery expansion project for AIDC to achieve full-scale operation, while enhancing the mass production capacity of high-rate lithium battery cells to meet incremental market demand;

**Rapid Technology Conversion:** The Company will transform diversified solutions such as "source-grid-load-storage integration" and "renewable energy + energy storage" green power direct supply into standardized product modules, shortening the cycle from research and development to commercialization and improving market efficiency;

**Overseas Local Production Planning:** The Company will accelerate the establishment of new plants in Southeast Asia to achieve localized production, thereby bringing operations closer to local raw material supply chains and customer resources, reducing logistics costs, mitigating geopolitical risks, and enhancing responsiveness to regional demand.



## Management Discussion and Analysis (Continued)



### 3. Deepen Technological Innovation Moat and Consolidate Product Leadership

**Continue to Build Differentiated Competitiveness through research and development Investment:** The Company increased research and development resources and focused on the development of next-generation, safer aqueous batteries, inherently safe solid-state batteries, and next-generation energy storage thermal management systems for AIDC data centers. By continuous technological iteration, the Company aims to reinforce its “product leadership” core advantage, ensuring that it maintains technological barriers and differentiated competitiveness in a market driven by both intelligent computing power and green technologies.

### 4. Synergize Multi-Business Lines and Establish “One Core, Two Wings” Growth Model

The Company will position AIDC data center energy storage as the business core while driving synergies development with telecom and power energy storage businesses:

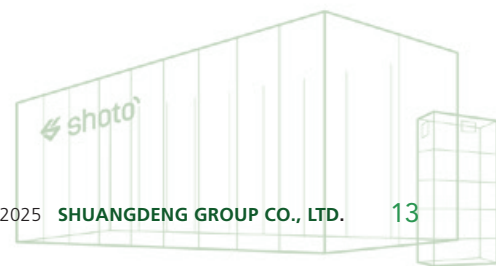
**Telecom Energy Storage Synergy:** The Company will upgrade telecom lithium battery products toward higher capacity and longer lifecycle, integrate telecom and AIDC market resources, and tap into the AIDC data center market operated by overseas telecom operators, achieving business scenario integration;

**Power Energy Storage Breakthrough:** The Company will accelerate the execution of GWh-level containerized energy storage agreements with overseas large-scale renewable power investors, ensure project delivery and revenue conversion (aligned with the second-half revenue release schedule); meanwhile, Company will promote the implementation of new AIDC business models such as “backup power + energy storage” and “green power direct connection”, establishing a stable growth framework “centered on AIDC with communications and power as dual pillars”.

### 5. Build a Global Service System and Enhance Brand Value Export

Transformed from “product export” to “comprehensive services”: Leveraging the opportunity of the Listing, the Company will establish a Hong Kong platform to capitalize on Hong Kong’s dual advantages as a “global capital hub” and a “Belt and Road gateway”. Targeting the dual demands of digital economy development and energy transition along Belt and Road countries, the Company will formulate differentiated expansion strategies and strengthen its overseas customer service and delivery teams to provide customized technical support and operation and maintenance services in accordance with the specific needs of different regional markets. By progressively realizing an integrated output of “technology + products + services”, the Company aims to enhance global brand recognition and customer loyalty, thereby reinforcing its long-term market competitiveness.

**Future Development Direction:** The Company will continue to position technological innovation as the core driver and global expansion as the foundation, consolidating its leadership in the AIDC data center energy storage industry. Amid the global computing power transformation driven by AI, the Company aims to realize a virtuous cycle of “technology Research and development – product commercialization – market expansion”, providing reliable energy solutions for global energy transition and the development of intelligent computing.





# Management Discussion and Analysis (Continued)

## OPERATING RESULTS AND ANALYSIS

### Revenue

Revenue for the six months ended 30 June 2025 increased by 26.2% year-on-year to RMB2,246.3 million.

The following table sets forth the Group's revenue by product and application for the six months ended 30 June 2025 and the six months ended 30 June 2024:

|                                                 | Six months ended June 30 |                         | Year-on-year<br>change |
|-------------------------------------------------|--------------------------|-------------------------|------------------------|
|                                                 | 2025                     | 2024                    |                        |
|                                                 | RMB' 000<br>(Unaudited)  | RMB' 000<br>(Unaudited) |                        |
| By product                                      |                          |                         |                        |
| Sales of lithium-ion battery                    | 566,883                  | 588,007                 | -3.6%                  |
| Sales of lead-acid battery products             | 1,612,845                | 1,152,430               | 40.0%                  |
| Others <sup>(2)</sup>                           | 66,525                   | 39,402                  | 68.8%                  |
| <b>Total</b>                                    | <b>2,246,253</b>         | <b>1,779,839</b>        | <b>26.2%</b>           |
| By application scenario                         |                          |                         |                        |
| AIDC data center energy storage                 | 1,028,000                | 482,404                 | 113.1%                 |
| Telecom energy storage                          | 968,304                  | 973,016                 | -0.5%                  |
| Electrical energy storage (including household) | 87,492                   | 176,983                 | -50.6%                 |
| Other application scenarios <sup>(1)</sup>      | 95,932                   | 108,034                 | -11.2%                 |
| Others <sup>(2)</sup>                           | 66,525                   | 39,402                  | 68.8%                  |
| <b>Total</b>                                    | <b>2,246,253</b>         | <b>1,779,839</b>        | <b>26.2%</b>           |

Notes:

(1) Mainly includes uninterruptible power supply ("UPS") batteries and start-stop batteries.

(2) Mainly includes the sales of waste materials such as lead slag and scrap batteries, as well as electricity sales.

For the six months ended 30 June 2025, the revenue from the lithium-ion battery business declined by 3.6% year-on-year, primarily due to the continued decline in lithium battery material prices. According to market data, the average price of domestic battery-grade lithium carbonate fell 32.2% year-on-year to RMB70,385.38/tonne for the six months ended 30 June 2025. This price decline persisted throughout the first half of the year. Despite the Company's 27.6% year-on-year increase in lithium battery product sales volume, the selling price per unit continued to decline due to cost pressures, leading to a decline in overall lithium battery business revenue.



## Management Discussion and Analysis (Continued)

For the six months ended 30 June 2025, revenue from the lead-acid battery business increased by 40% year-on-year, primarily due to the rapid growth of the AIDC data center market. The demand for intelligent computing is driving cloud service and communications vendors to invest heavily in AIDC data center construction. Due to their high safety, lead-acid batteries have become the major products of backup power source for AIDC data center in China. Driven by the AIDC data center market, the Company is poised for a new round of growth, leveraging its higher advantages, such as a mature industry chain and high market concentration among leading companies.

### Cost of sales

The Group's cost of sales increased by 32.2% from RMB1,445.5 million for the six months ended 30 June 2024 to RMB1,910.5 million for the six months ended 30 June 2025, primarily due to the increase in sales volume of battery products.

### Gross profit and gross profit margin

The following table sets forth a breakdown of the Group's gross profit and gross profit margin by product use during the periods indicated:

|                            | Six months ended June 30 |                  |                         |                  |
|----------------------------|--------------------------|------------------|-------------------------|------------------|
|                            | 2025                     |                  | 2024                    |                  |
|                            | RMB' 000<br>(Unaudited)  | %<br>(Unaudited) | RMB' 000<br>(Unaudited) | %<br>(Unaudited) |
| Lithium-ion battery        | 108,173                  | 19.1             | 152,991                 | 26.0             |
| Lead-acid battery products | 225,598                  | 14.0             | 178,153                 | 15.5             |
| Others                     | 1,966                    | 3.0              | 3,152                   | 8.0              |
| Total                      | 335,737                  | 14.9             | 334,296                 | 18.8             |

Gross profit increased from RMB334.3 million for the six months ended 30 June 2024 to RMB335.7 million for the six months ended 30 June 2025.

Gross profit margin decreased from 18.8% in the six months ended 30 June 2024 to 14.9% in the six months ended 30 June 2025. This was due to higher raw material costs, particularly lead ingots, and the adoption of more competitive pricing terms to maintain and enhance our market leadership. Our gross profit margin decreased to 14.9% for the six months ended 30 June 2025, primarily due to (i) lower revenue contribution from lithium-ion batteries, a higher-margin product category, and (ii) strategic price reductions to maintain our market leadership. As raw material prices stabilize, the Company's production scheduling efficiency has improved, and the shipment proportion of some products with higher gross profit has increased slightly, further boosting the improvement of gross profit margin. In addition, the previous measures to optimize the supply chain, reduce costs and increase efficiency have been gradually implemented, forming a synergistic effect with the easing of raw material prices, and jointly driving the month-on-month increase in gross profit margin in June.



# Management Discussion and Analysis (Continued)

## Selling and marketing expenses

Selling and marketing expenses increased from RMB58.3 million in the six months ended 30 June 2024 to RMB65.9 million in the six months ended 30 June 2025. As a percentage of sales, these expenses decreased from 3.3% in the same period last year to 2.9%. Overseas market research, channel partnership pilots, and the establishment of a localized service system also contributed to the increase in selling expenses.

## Administrative expenses

Administrative expenses decreased from RMB76.8 million for the six months ended 30 June 2024 to RMB51.9 million for the six months ended 30 June 2025.

Employee remuneration decreased from RMB43.2 million for the six months ended 30 June 2024 to RMB33.9 million for the six months ended 30 June 2025, primarily due to the measures we implemented to optimize human resources allocation and enhance operational efficiency of administrative functions.

## Research and development expenses

Research and development expenses increased from RMB49.2 million in the six months ended 30 June 2024 to RMB63.3 million in the six months ended 30 June 2025. This was primarily due to increased investment in the development of new products, including high-rate lithium-ion battery cells for AIDC data centers and immersed lithium iron phosphate lithium-ion battery and system.

## Other expenses

Other expenses increased from RMB9.7 million for the six months ended 30 June 2024 to RMB12.3 million for the six months ended 30 June 2025, primarily due to the increase in property tax and land use tax expenses.

## Finance costs

Finance costs increased from RMB6.7 million for the six months ended 30 June 2024 to RMB14.4 million for the six months ended 30 June 2025, primarily due to (i) an increase in interest expenses due to increased borrowings; and (ii) an increase in interest on lease liabilities associated with our production facilities in Malaysia.

## Profit before tax

As a result of the above factors, the Group recorded a profit before tax of RMB179.2 million for the period (six months ended 30 June 2024: RMB188.2 million).



# Management Discussion and Analysis (Continued)

## Income tax expenses

Income tax expenses decreased from RMB23.2 million for the six months ended 30 June 2024 to RMB18.6 million for the six months ended 30 June 2025, primarily due to the decrease in the Group's assessable profit for the period.

## Profit for the period

As a result of the above factors, the Group recorded a profit for the period of RMB160.6 million for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB165.0 million), of which the Group recorded a profit attributable to owners of the parent of RMB160.6 million (six months ended 30 June 2024: RMB165.0 million).

## Liquidity and financial resources

As at 30 June 2025, the Group's net current assets amounted to RMB1,446.2 million (31 December 2024: RMB1,324.3 million), of which cash and bank deposits amounted to RMB605.7 million (31 December 2024: RMB395.2 million).

As at 30 June 2025, the Group had bank borrowings of RMB1,145.2 million (31 December 2024: RMB928.7 million), all of which were interest-bearing. Except for borrowings of RMB246.3 million which mature after one year, all bank borrowings of the Group are repayable within one year. The Group's borrowings were denominated in RMB, US dollars, Hong Kong dollars and other currencies with effective interest rates ranging from 2.15% to 4.80% as of 30 June 2025 (31 December 2024: 2.30% to 4.80%).

Most of the Group's bank borrowings are secured by pledges of certain of the Group's assets, including property, plant and equipment, leasehold land, time deposits and trade receivables.

As at 30 June 2025, the Group's gearing ratio was 56.2% (31 December 2024: 53.7%), which is calculated by dividing total borrowings by total assets at the end of each period and multiplying by 100%.

## Exchange rate fluctuation risks

The Group's principal transactions in China are carried out in Renminbi. For operations in other countries, the Group's principal business transactions are conducted in US dollars. However, as the Group's revenue is denominated in RMB, the conversion of revenue into foreign currencies for payment of related expenses is subject to regulatory restrictions on the currency conversion in China. The value of Renminbi against U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in China's political and economic conditions. The Group's product sales adopt a price linkage mechanism, which largely transfers the risk of currency fluctuations to customers. However, the Group's trade receivables denominated in foreign currencies may still be subject to this risk during the credit period.



# Management Discussion and Analysis (Continued)

## Contingent liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities (31 December 2024: Nil).

## Pledge of assets

For details, please refer to note 9 to these financial statements contained in this report.

## Capital commitment

For details, please refer to note 12 to these financial statements contained in this report.

## Major investment

As at 30 June 2025, the Group had no significant investments with a value of 5% or more of the Group's total assets.

## Major acquisitions and disposals

The Group did not conduct any material acquisition or disposal of subsidiaries, associated companies or joint ventures during the period.

## Use of proceeds from Listing

On 26 August 2025, the Company's shares were listed on the Stock Exchange. The Company's net proceeds from the listing (after deducting underwriting fees and related expenses) were approximately HK\$756.3 million. As at the date of this report, the proceeds have not been utilized. Such proceeds will be allocated and utilized in accordance with the purposes as set out in the Company's prospectus dated 18 August 2025.

## Interim dividend

The Board of Director does not recommend the payment of dividend as of 30 June 2025.



# Corporate Governance and Other Information

## Employees

As of 30 June 2025, the Group had 2,292 employees. During the period, employee benefit expenses (including Directors' remuneration), consisting of salaries and wages, bonuses, equity-settled share option expenses and pension scheme contributions, totalled RMB151.5 million (for the six months ended 30 June 2024: RMB159.3 million).

The Company operates an employee share scheme. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments. The Group has arranged for employees to participate in the social pension plan as mandated by local government labour and security authorities. The Group makes contributions on a monthly basis to the social pension plans. The Group has also participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include a housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance.

## CORPORATE GOVERNANCE PRACTICES

*(Paragraph 44(1) of Appendix 16 to the Listing Rules)*

### Compliance with the Corporate Governance Code

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company ("Shareholders") and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

As the Company's shares have not been listed on the Stock Exchange as of 30 June 2025, the CG Code was not applicable to the Company during the Reporting Period.

From the Listing Date up to the date of this report, except as stated below, the Company has complied with all code provisions of the CG Code and adopted most of the recommended best practices set out therein.

### Separation of the Roles of Chairman of the Board and Chief Executive Officer ("CEO")

Dr. Yang Rui ("Dr. Yang") currently serves as the Chairman of the Board and CEO of the Group. He is responsible for the Company's overall strategic planning and decision-making, execution, operations and management. While this deviates from Code Provision C.2.1 of Part 2 of the CG Code, the Board believes that Dr. Yang's concurrent roles as Chairman of the Board and CEO will help ensure consistent leadership and more effective and efficient overall strategic planning for the Group. The Board, supervisors and senior management are comprised of experienced and diverse individuals, ensuring a balance of power and authority. The Board currently consists of three executive directors, one non-executive director and three independent non-executive directors. Therefore, the Board has strong independence in its composition.



## Corporate Governance and Other Information (Continued)

### **MODEL CODE FOR SECURITIES TRANSACTIONS**

*(Paragraph 44(2) of Appendix 16 to the Listing Rules)*

As the Company was not listed on the Stock Exchange during the Reporting Period, the provisions under the Listing Rules in relation to the compliance with the Model Code by the directors were not applicable to the Company during the Reporting Period.

After the Listing, the Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its code of conduct regarding securities transactions by the directors of the Company (“Directors”). All directors have confirmed, after making specific enquiries to the Directors, that they have complied with the standards as set out in the Model Code since the Listing Date up to the date of this interim report.

### **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

As the Company’s shares have not been listed on the Stock Exchange as of 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the Reporting Period.

### **AUDIT COMMITTEE**

The Board has established an audit committee (the “Audit Committee”), comprising two Independent Non-executive Directors, i.e., Dr. YIN Junming (殷俊明) (Chairman) and Dr. WANG Jin (王進), and one Non-executive Director, Mr. QIAN Shangao (錢善高). The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of our Group, overseeing the audit process, and performing other duties and responsibilities as assigned by the Board.

The Audit Committee, together with the management, has reviewed the unaudited condensed interim results for the six months ended 30 June 2025. There was no disagreement between the Audit Committee and the management on the accounting treatment.

### **CHANGE IN INFORMATION ON DIRECTORS**

Save as disclosed above, the Directors confirm that there is no information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

### **USE OF PROCEEDS FROM LISTING**

On 26 August 2025, the Company’s shares were listed on the Stock Exchange. The Company’s net proceeds from the Listing (after deducting underwriting fees and related expenses) were approximately HK\$756.3 million. As at the date of this report, the proceeds have not been utilized. Such proceeds will be allocated and utilized in accordance with the purposes as set out in the Company’s prospectus dated 18 August 2025.

For details of the Company’s future plans and proposed uses of the proceeds from the IPO after the exercise of Over-allotment Option, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

## Corporate Governance and Other Information (Continued)

### INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

As the Company was not listed on the Stock Exchange as at 30 June 2025, Divisions 7 and 8 of Part XV of the SFO and section 352 of the SFO were not applicable to the Directors and chief executives of the Company as at 30 June 2025. As at the Listing Date, none of the Directors nor chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which would be required to be notified to the Company and the Stock Exchange; or which would be required to be registered in the register to be kept pursuant to Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

As the Company was not listed on the Stock Exchange as at 30 June 2025, Divisions 2 and 3 of Part XV of the SFO and section 336 of the SFO were not applicable to the following persons (other than the Directors and chief executives of the Company) as at 30 June 2025. As at the Listing Date, to the best of knowledge of the Directors, the following persons (other than the Directors and chief executives of the Company) had interests or short positions in the Shares or underlying Shares of the Company which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which would be required to be recorded in the register required to be kept by the Company under Section 336 of the SFO:

| Name of Shareholder                                                                                                            | Nature of interest                  | Description of Shares | Number and type of Shares held | Approximate percentage of shareholding in the relevant type of Shares <sup>(1)</sup> | Approximate percentage of shareholding in the total share capital of our Company <sup>(1)</sup> | Long position/<br>Short position/<br>Lending pool |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-----------------------|--------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------------------------|
|                                                                                                                                |                                     |                       |                                | (%)                                                                                  | (%)                                                                                             |                                                   |
| Shuangdeng Investment Management (Shanghai) Co., Ltd.<br>(雙登投資管理(上海)有限公司)<br>("Shuangdeng Investment") <sup>(2)</sup>          | Beneficial owner                    | Unlisted Shares       | 98,630,000                     | 35.90                                                                                | 26.29                                                                                           | Long position                                     |
|                                                                                                                                |                                     | H Shares              | 10,960,000                     | 7.72                                                                                 |                                                                                                 |                                                   |
| Ms. Qian Wuzhen (錢五珍) <sup>(2)</sup>                                                                                           | Beneficial owner                    | Unlisted Shares       | 98,630,000                     | 35.90                                                                                | 26.29                                                                                           | Long position                                     |
|                                                                                                                                |                                     | H Shares              | 10,960,000                     | 7.72                                                                                 |                                                                                                 |                                                   |
| Taizhou Heying <sup>(2)</sup>                                                                                                  | Beneficial owner                    | Unlisted Shares       | 19,000,000                     | 6.91                                                                                 | 4.56                                                                                            | Long position                                     |
| Taizhou Hechuang <sup>(2)</sup>                                                                                                | Interest in controlled corporations | Unlisted Shares       | 32,600,000                     | 11.86                                                                                | 7.82                                                                                            | Long position                                     |
| Taizhou Hanfu                                                                                                                  | Interest in controlled corporations | Unlisted Shares       | 32,600,000                     | 11.86                                                                                | 7.82                                                                                            | Long position                                     |
| Mr. Yang Shanji (楊善基) <sup>(2)</sup>                                                                                           | Beneficial owner                    | Unlisted Shares       | 138,310,000                    | 50.34                                                                                | 64.66                                                                                           | Long position                                     |
|                                                                                                                                | Interest in controlled corporations | Unlisted Shares       | 131,230,000                    | 47.76                                                                                |                                                                                                 |                                                   |
|                                                                                                                                |                                     | H Shares              | 10,960,000                     | 7.72                                                                                 |                                                                                                 | Long position                                     |
| Zaoyang Fund <sup>(3)</sup>                                                                                                    | Beneficial owner                    | H Shares              | 22,000,000                     | 15.49                                                                                | 5.28                                                                                            | Long position                                     |
| Hubei Gaotou Huimeng Entrepreneurship Investment Management Co., Ltd.<br>(湖北高投匯盟創業投資管理有限公司)<br>("Hubei Gaotou") <sup>(3)</sup> | Interest in controlled corporations | H Shares              | 22,000,000                     | 15.49                                                                                | 5.28                                                                                            | Long position                                     |



## Corporate Governance and Other Information (Continued)

| Name of Shareholder                                                                                                                  | Nature of interest                  | Description of Shares | Number and type of Shares held | Approximate percentage of shareholding in the relevant type of Shares <sup>(1)</sup><br>(%) | Approximate percentage of shareholding in the total share capital of our Company <sup>(1)</sup><br>(%) | Long position/<br>Short position/<br>Lending pool |
|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-----------------------|--------------------------------|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| Hubei Provincial HIGH Technology Industry Investment Co., Ltd.<br>(湖北省高新產業投資集團有限公司)<br>("Hubei Technology") <sup>(3)</sup> . . . . . | Interest in controlled corporations | H Shares              | 22,000,000                     | 15.49                                                                                       | 5.28                                                                                                   | Long position                                     |
| Mr. Qian Bingqing (錢冰清) . . . . .                                                                                                    | Beneficial owner                    | H Shares              | 12,000,000                     | 8.45                                                                                        | 2.88                                                                                                   | Long position                                     |
| Mr. Zhu Shiping (祝士平) . . . . .                                                                                                      | Beneficial owner                    | H Shares              | 12,000,000                     | 8.45                                                                                        | 2.88                                                                                                   | Long position                                     |
| Mr. Zhou Yuezhang (周躍章) . . . . .                                                                                                    | Beneficial owner                    | H Shares              | 12,000,000                     | 8.45                                                                                        | 2.88                                                                                                   | Long position                                     |
| Sanshui Venture Capital Co., Limited . . . . .                                                                                       | Beneficial owner                    | H Shares              | 16,453,500                     | 11.58                                                                                       | 3.95                                                                                                   | Long position                                     |
| Taizhou Sanshui Investment Development Co., Ltd.<br>(泰州三水投資開發有限公司) . . . . .                                                         | Interest in controlled corporations | H Shares              | 16,453,500                     | 11.58                                                                                       | 3.95                                                                                                   | Long position                                     |

**Notes:**

- (1) As of the Listing Date, the Company had issued a total of 416,826,000 Shares. The calculation is based on the total number of 274,773,300 Unlisted Shares and 142,052,700 H Shares in issue as of the Listing Date.
- (2) As of the Listing Date, (i) Shuangdeng Investment is owned as to 80% and 20% by Mr. Yang Shanji and Ms. Qian Wuzhen (spouse of Mr. Yang Shanji), respectively; (ii) Taizhou Hanfu, wholly owned by Mr. Yang Shanji, is the general partner of Taizhou Hechuang and is responsible for the management of Taizhou Hechuang; (iii) Taizhou Hechuang is the general partner of each of Taizhou Heying and Taizhou Hexin and is responsible for the management of Taizhou Heying and Taizhou Hexin. As such, (i) each of Taizhou Hanfu and Taizhou Hechuang is deemed to be interested in the Shares held by Taizhou Heying and Taizhou Hexin; (ii) Mr. Yang Shanji is deemed to be interested in the Shares held by Shuangdeng Investment, Taizhou Heying and Hexin; (iii) Ms. Qian Wuzhen is deemed to be interested in the Shares held by Shuangdeng Investment.
- (3) As of the Listing Date, Hubei Gaotou, wholly owned by Hubei Technology, is the general partner of Zaoyang Fund and is responsible for the management of Zaoyang Fund. As such, each of Hubei Gaotou and Hubei Technology is deemed to be interested in the Shares held by Zaoyang Fund.

Save as disclosed above, as at the Listing Date, to the best of the Directors' knowledge, no other person (other than the Directors and chief executives of the Company) had interests or short positions in the Shares or underlying Shares which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept under Section 336 of the SFO.



### ***DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES***

Save as disclosed in this interim report, at no time during the Reporting Period did the Company or its subsidiaries enter into any arrangement that would enable the Directors to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their respective spouses or children under the age of 18 were granted any right to subscribe for the share capital or debt securities of the Company or any other body corporate or had exercised any such right.

As at the date of this report, the Board of the Company comprises Dr. YANG Rui (楊銳), Dr. YANG Baofeng (楊寶峰) and Ms. HE Rong (賀蓉) as executive directors, Mr. QIAN Shangao (錢善高) as non-executive director, and Dr. YIN Junming (殷俊明), Dr. WANG Jin (王進) and Dr. WANG Xi (王熹) as independent non-executive directors.

This report contains forward-looking statements relating to the business outlook, financial performance estimates, forecast business plans and growth strategies of the Group. These forward-looking statements are based on information currently available to the Group and are stated herein on the basis of the outlook at the time of this report. They are based on certain expectations, assumptions and premises, some of which are subjective or beyond control of us. These forward-looking statements may prove to be incorrect and may not be realised in the future. Underlying these forward-looking statements are a large number of risks and uncertainties. In light of the risks and uncertainties, the inclusion of forward-looking statements in this report should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, investors should therefore not place undue reliance on such statements.



# Condensed Consolidated Interim Financial Information

## Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

|                                                                                     | Notes | Six months ended 30 June       |                                |
|-------------------------------------------------------------------------------------|-------|--------------------------------|--------------------------------|
|                                                                                     |       | 2025<br>RMB'000<br>(Unaudited) | 2024<br>RMB'000<br>(Unaudited) |
| <b>REVENUE</b>                                                                      | 4     | <b>2,246,253</b>               | <b>1,779,839</b>               |
| Cost of sales                                                                       |       | (1,910,516)                    | (1,445,543)                    |
| <b>Gross profit</b>                                                                 |       | <b>335,737</b>                 | <b>334,296</b>                 |
| Other income and gains                                                              |       | 54,045                         | 55,271                         |
| Selling and marketing expenses                                                      |       | (65,872)                       | (58,276)                       |
| Administrative expenses                                                             |       | (51,921)                       | (76,807)                       |
| Research and development costs                                                      |       | (63,299)                       | (49,191)                       |
| Impairment losses on financial and contract assets, net                             |       | (2,440)                        | (1,283)                        |
| Other expenses                                                                      |       | (12,272)                       | (9,651)                        |
| Finance costs                                                                       |       | (14,448)                       | (6,722)                        |
| Share of profits and losses of an associate                                         |       | (316)                          | 596                            |
| <b>PROFIT BEFORE TAX</b>                                                            | 5     | <b>179,214</b>                 | <b>188,233</b>                 |
| Income tax expense                                                                  | 6     | (18,581)                       | (23,245)                       |
| <b>PROFIT FOR THE PERIOD</b>                                                        |       | <b>160,633</b>                 | <b>164,988</b>                 |
| <b>Attributable to:</b>                                                             |       |                                |                                |
| Owners of the parent                                                                |       | 160,633                        | 164,988                        |
| Non-controlling interests                                                           |       | –                              | –                              |
|                                                                                     |       | <b>160,633</b>                 | <b>164,988</b>                 |
| <b>EARNINGS PER SHARE ATTRIBUTABLE TO<br/>ORDINARY EQUITY HOLDERS OF THE PARENT</b> | 8     |                                |                                |
| Basic: profit for the period (RMB)                                                  |       | 0.45                           | 0.46                           |
| Diluted: profit for the period (RMB)                                                |       | 0.45                           | 0.46                           |



# Condensed Consolidated Interim Financial Information (Continued)

## Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

|                                                                                                        | Six months ended 30 June |             |
|--------------------------------------------------------------------------------------------------------|--------------------------|-------------|
|                                                                                                        | 2025                     | 2024        |
|                                                                                                        | RMB'000                  | RMB'000     |
|                                                                                                        | (Unaudited)              | (Unaudited) |
| PROFIT FOR THE PERIOD                                                                                  | 160,633                  | 164,988     |
| OTHER COMPREHENSIVE INCOME                                                                             |                          |             |
| Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:    |                          |             |
| Exchange differences:                                                                                  |                          |             |
| Exchange differences on translation of foreign operations                                              | 547                      | (84)        |
| Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods | 547                      | (84)        |
| OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX                                                  | 547                      | (84)        |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD                                                              | 161,180                  | 164,904     |
| Attributable to:                                                                                       |                          |             |
| Owners of the parent                                                                                   | 161,180                  | 164,904     |
| Non-controlling interests                                                                              | —                        | —           |
|                                                                                                        | 161,180                  | 164,904     |



# Condensed Consolidated Interim Financial Information (Continued)

## Interim Condensed Consolidated Statement of Financial Position

30 June 2025

|                                                                      | Notes | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|----------------------------------------------------------------------|-------|-------------------------------------------|---------------------------------------------|
| <b>NON-CURRENT ASSETS</b>                                            |       |                                           |                                             |
| Property, plant and equipment                                        | 9     | 1,185,184                                 | 1,217,124                                   |
| Right-of-use assets                                                  |       | 162,068                                   | 165,108                                     |
| Other intangible assets                                              |       | 7,686                                     | 8,321                                       |
| Investment in an associate                                           |       | 16,450                                    | 16,766                                      |
| Prepayments, other receivables and other assets                      |       | 1,962                                     | 2,358                                       |
| Contract assets                                                      |       | 13,867                                    | 13,154                                      |
| Deferred tax assets                                                  |       | 79,940                                    | 74,113                                      |
| Restricted cash                                                      |       | 23,231                                    | 23,567                                      |
| <b>Total non-current assets</b>                                      |       | <b>1,490,388</b>                          | <b>1,520,511</b>                            |
| <b>CURRENT ASSETS</b>                                                |       |                                           |                                             |
| Inventories                                                          |       | 881,316                                   | 513,506                                     |
| Trade and bills receivables                                          | 10    | 2,371,477                                 | 2,318,281                                   |
| Contract assets                                                      |       | 176                                       | 546                                         |
| Prepayments, other receivables and other assets                      |       | 130,615                                   | 85,290                                      |
| Financial assets at fair value through profit or loss                |       | –                                         | 86,000                                      |
| Derivative financial instruments                                     |       | 700                                       | 3,355                                       |
| Due from a related party                                             |       | 871                                       | –                                           |
| Debt investments at fair value through<br>other comprehensive income |       | 14,860                                    | 3,073                                       |
| Restricted cash                                                      |       | 204,307                                   | 235,134                                     |
| Cash and cash equivalents                                            |       | 605,734                                   | 395,234                                     |
| <b>Total current assets</b>                                          |       | <b>4,210,056</b>                          | <b>3,640,419</b>                            |
| <b>CURRENT LIABILITIES</b>                                           |       |                                           |                                             |
| Trade and bills payables                                             | 11    | 1,314,797                                 | 973,979                                     |
| Other payables and accruals                                          |       | 403,709                                   | 558,678                                     |
| Derivative financial instruments                                     |       | –                                         | 842                                         |
| Contract liabilities                                                 |       | 86,861                                    | 39,640                                      |
| Interest-bearing bank and other borrowings                           |       | 898,938                                   | 673,333                                     |
| Deferred government grants                                           |       | 20,468                                    | 20,878                                      |
| Lease liabilities                                                    |       | 6,484                                     | 8,017                                       |
| Tax payable                                                          |       | 11,874                                    | 27,908                                      |
| Due to related parties                                               |       | 12,746                                    | 5,720                                       |
| Provisions                                                           |       | 7,999                                     | 7,158                                       |
| <b>Total current liabilities</b>                                     |       | <b>2,763,876</b>                          | <b>2,316,153</b>                            |
| <b>NET CURRENT ASSETS</b>                                            |       | <b>1,446,180</b>                          | <b>1,324,266</b>                            |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                         |       | <b>2,936,568</b>                          | <b>2,844,777</b>                            |

# Condensed Consolidated Interim Financial Information (Continued)

## Interim Condensed Consolidated Statement of Financial Position (Continued)

30 June 2025

|                                             | Notes | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|---------------------------------------------|-------|-------------------------------------------|---------------------------------------------|
| <b>NON-CURRENT LIABILITIES</b>              |       |                                           |                                             |
| Interest-bearing bank and other borrowings  |       | 246,298                                   | 255,404                                     |
| Deferred government grants                  |       | 155,486                                   | 161,621                                     |
| Lease liabilities                           |       | 7,826                                     | 8,597                                       |
| Provisions                                  |       | 30,271                                    | 31,694                                      |
| <b>Total non-current liabilities</b>        |       | <b>439,881</b>                            | <b>457,316</b>                              |
| <b>Net assets</b>                           |       | <b>2,496,687</b>                          | <b>2,387,461</b>                            |
| <b>EQUITY</b>                               |       |                                           |                                             |
| Equity attributable to owners of the parent |       |                                           |                                             |
| Share capital                               |       | 358,269                                   | 358,269                                     |
| Reserves                                    |       | 2,138,418                                 | 2,029,192                                   |
| <b>Total equity</b>                         |       | <b>2,496,687</b>                          | <b>2,387,461</b>                            |



# Condensed Consolidated Interim Financial Information (Continued)

## Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

|                                                                       | Attributable to owners of the parent |                             |                                              |                           |                                          |                              | Total equity<br>RMB'000 |
|-----------------------------------------------------------------------|--------------------------------------|-----------------------------|----------------------------------------------|---------------------------|------------------------------------------|------------------------------|-------------------------|
|                                                                       | Share capital<br>RMB'000             | Capital reserve*<br>RMB'000 | Share-based compensation reserve*<br>RMB'000 | Reserve funds*<br>RMB'000 | Exchange fluctuation reserve*<br>RMB'000 | Retained profits*<br>RMB'000 |                         |
| As at 31 December 2024 (audited)                                      | 358,269                              | 420,692                     | 72,576                                       | 186,522                   | (568)                                    | 1,349,970                    | 2,387,461               |
| Profit for the period (unaudited)                                     | –                                    | –                           | –                                            | –                         | –                                        | 160,633                      | 160,633                 |
| Other comprehensive income for the period (unaudited):                |                                      |                             |                                              |                           |                                          |                              |                         |
| Exchange differences on translation of foreign operations (unaudited) | –                                    | –                           | –                                            | –                         | 547                                      | –                            | 547                     |
| Total comprehensive income for the period (unaudited)                 | –                                    | –                           | –                                            | –                         | 547                                      | 160,633                      | 161,180                 |
| Share-based compensation reserve (unaudited)                          | –                                    | –                           | 8,952                                        | –                         | –                                        | –                            | 8,952                   |
| Dividend (unaudited)                                                  | –                                    | –                           | –                                            | –                         | –                                        | (60,906)                     | (60,906)                |
| As at 30 June 2025 (unaudited)                                        | 358,269                              | 420,692                     | 81,528                                       | 186,522                   | (21)                                     | 1,449,697                    | 2,496,687               |

|                                                                       | Attributable to owners of the parent |                             |                                              |                           |                                          |                              | Total equity<br>RMB'000 |
|-----------------------------------------------------------------------|--------------------------------------|-----------------------------|----------------------------------------------|---------------------------|------------------------------------------|------------------------------|-------------------------|
|                                                                       | Share capital<br>RMB'000             | Capital reserve*<br>RMB'000 | Share-based compensation reserve*<br>RMB'000 | Reserve funds*<br>RMB'000 | Exchange fluctuation reserve*<br>RMB'000 | Retained profits*<br>RMB'000 |                         |
| As at 31 December 2023 (audited)                                      | 358,269                              | 420,692                     | 50,037                                       | 156,552                   | (801)                                    | 1,100,412                    | 2,085,161               |
| Profit for the period (unaudited)                                     | –                                    | –                           | –                                            | –                         | –                                        | 164,988                      | 164,988                 |
| Other comprehensive loss for the period (unaudited):                  |                                      |                             |                                              |                           |                                          |                              |                         |
| Exchange differences on translation of foreign operations (unaudited) | –                                    | –                           | –                                            | –                         | (84)                                     | –                            | (84)                    |
| Total comprehensive income for the period (unaudited)                 | –                                    | –                           | –                                            | –                         | (84)                                     | 164,988                      | 164,904                 |
| Share-based compensation reserve (unaudited)                          | –                                    | –                           | 11,011                                       | –                         | –                                        | –                            | 11,011                  |
| Dividend (unaudited)                                                  | –                                    | –                           | –                                            | –                         | –                                        | (73,803)                     | (73,803)                |
| As at 30 June 2024 (unaudited)                                        | 358,269                              | 420,692                     | 61,048                                       | 156,552                   | (885)                                    | 1,191,597                    | 2,187,273               |

\* These reserve accounts comprise the consolidated reserves of RMB2,138,418,000 (31 December 2024: RMB2,029,192,000) in the consolidated statements of financial position as at 30 June 2025.

# Condensed Consolidated Interim Financial Information (Continued)

## Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

|                                                                          | Six months ended 30 June |                |
|--------------------------------------------------------------------------|--------------------------|----------------|
|                                                                          | 2025                     | 2024           |
|                                                                          | RMB'000                  | RMB'000        |
|                                                                          | (Unaudited)              | (Unaudited)    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                              |                          |                |
| Profit before tax                                                        | 179,214                  | 188,233        |
| Adjustments for:                                                         |                          |                |
| Finance costs                                                            | 14,448                   | 6,722          |
| Share of profits and losses of an associate                              | 316                      | (596)          |
| Interest income                                                          | (8,052)                  | (6,939)        |
| Loss on disposal of items of property, plant and equipment               | 309                      | –              |
| Gain on disposal of right-of-use assets                                  | (22)                     | –              |
| Fair value gain on financial assets at fair value through profit or loss | (914)                    | –              |
| Fair value gain on derivative financial instruments                      | (539)                    | –              |
| Depreciation of items of property, plant and equipment                   | 76,623                   | 53,969         |
| Depreciation of right-of-use assets                                      | 7,847                    | 6,201          |
| Amortisation of other intangible assets                                  | 1,535                    | 1,762          |
| Amortisation of deferred government grants                               | (10,545)                 | (10,093)       |
| Provision for trade and bill receivables and contract assets, net        | 384                      | 296            |
| Provision for prepayments, other receivables and other assets, net       | 2,056                    | 987            |
| Impairment of inventories                                                | (5,404)                  | (15,220)       |
| Foreign exchange differences, net                                        | (2,062)                  | (6,084)        |
| Share incentive plan expense                                             | 8,952                    | 11,011         |
|                                                                          | 264,146                  | 230,249        |
| Increase in trade and bills receivables and contract assets              | (65,710)                 | (197,073)      |
| Increase in prepayments, other receivables and other assets              | (46,955)                 | (96,750)       |
| Increase in due from a related party                                     | (871)                    | –              |
| Increase in amounts due to related parties                               | 6,520                    | 2,391          |
| Increase in inventories                                                  | (362,406)                | (31,583)       |
| Increase in trade and bills payables                                     | 721,174                  | 5,536          |
| (Decrease)/increase in other payables and accruals                       | (54,506)                 | 39,970         |
| Decrease in provision                                                    | (582)                    | (1,063)        |
| Increase in contract liabilities                                         | 47,221                   | 28,479         |
| Decrease in restricted cash                                              | 31,163                   | 137,418        |
| <b>Cash flows generated from operating activities</b>                    | <b>539,194</b>           | <b>117,574</b> |
| Interest received                                                        | 8,052                    | 6,939          |
| Income taxes paid                                                        | (40,442)                 | (37,992)       |
| <b>Net cash flows generated from operating activities</b>                | <b>506,804</b>           | <b>86,521</b>  |



# Condensed Consolidated Interim Financial Information (Continued)

## Interim Condensed Consolidated Statement of Cash Flows (Continued)

For the six months ended 30 June 2025

|                                                                                              |       | Six months ended 30 June       |                                |
|----------------------------------------------------------------------------------------------|-------|--------------------------------|--------------------------------|
|                                                                                              | Notes | 2025<br>RMB'000<br>(Unaudited) | 2024<br>RMB'000<br>(Unaudited) |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                  |       |                                |                                |
| Purchases of items of property, plant and equipment                                          |       | (144,675)                      | (106,075)                      |
| Proceeds from disposal of items of property, plant and equipment                             |       | 1,065                          | 93                             |
| Purchase of right-of-use assets                                                              |       | –                              | (3,320)                        |
| Purchase of other intangible assets                                                          |       | (900)                          | (3,490)                        |
| Receipt of government grants for property, plant and equipment                               |       | 4,000                          | 45,140                         |
| Sold of items of derivative financial instruments                                            |       | 2,322                          | –                              |
| Proceeds from disposal of financial assets at fair value through profit or loss              |       | 86,914                         | –                              |
| <b>Net cash flows used in investing activities</b>                                           |       | <b>(51,274)</b>                | <b>(67,652)</b>                |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                                  |       |                                |                                |
| New bank loans                                                                               |       | 178,558                        | 130,831                        |
| Repayment of bank loans                                                                      |       | (342,161)                      | (257,054)                      |
| Dividends paid                                                                               | 7     | (60,906)                       | (73,803)                       |
| Interest paid                                                                                |       | (14,182)                       | (6,447)                        |
| Payment of listing expenses                                                                  |       | (714)                          | –                              |
| Principal portion of lease payments                                                          |       | (7,098)                        | (4,016)                        |
| Interest paid for lease payments                                                             |       | (266)                          | (275)                          |
| <b>Net cash flows used in financing activities</b>                                           |       | <b>(246,769)</b>               | <b>(210,764)</b>               |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>                                  |       |                                |                                |
|                                                                                              |       | 208,761                        | (191,895)                      |
| Cash and cash equivalents at beginning of period                                             |       | 395,234                        | 479,582                        |
| Effect of foreign exchange rate changes, net                                                 |       | 1,739                          | 6,022                          |
| <b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>                                            |       | <b>605,734</b>                 | <b>293,709</b>                 |
| <b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>                                     |       |                                |                                |
| Cash and bank balances                                                                       |       | 605,734                        | 293,556                        |
| Cash and cash equivalents as stated in the statements of financial position                  |       | 605,734                        | 293,556                        |
| Cash and cash equivalents included in assets of a disposal group classified as held for sale |       | –                              | 153                            |
| Cash and cash equivalents as stated in the statements of cash flows                          |       | 605,734                        | 293,709                        |

# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information

As at 30 June 2025

### 1. Corporate information

Shuangdeng Group Co., Ltd. (the “Company”) is a joint stock company established in the People’s Republic of China (the “PRC”) with limited liability on 28 December 2011. The Company’s registered office is located at No. 999 Tianmu West Road, Jiangyan Economic Development Zone, Taizhou City, Jiangsu Province, the PRC. The Company and its subsidiaries (collectively, the “Group”) are principally engaged in the research and development, manufacturing and sales of energy storage batteries and system products.

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 26 August 2025.

### 2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with HKAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s historical financial information for the years ended 31 December 2022, 2023 and 2024 and for the five months ended 31 May 2025, as set out in the accountants’ report (the “Accountants’ report”) included in prospectus of the Company dated on 18 August 2025 (the “Prospectus”).

### 2.2 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to HKAS 21

*Lack of Exchangeability*

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 3. Operating segment information

#### Geographical information

##### (a) Revenue from external customers

|                | Six months ended 30 June       |                                |
|----------------|--------------------------------|--------------------------------|
|                | 2025<br>RMB'000<br>(Unaudited) | 2024<br>RMB'000<br>(Unaudited) |
| Mainland China | 1,845,680                      | 1,263,330                      |
| Overseas       | 400,573                        | 516,509                        |
| Total revenue  | 2,246,253                      | 1,779,839                      |

The revenue information above is based on the locations of the direct customers who signed the sales agreements with the Group.

##### (b) Non-current assets

|                          | As at<br>30 June<br>2025<br>RMB'000<br>(Unaudited) | As at<br>31 December<br>2024<br>RMB'000<br>(Audited) |
|--------------------------|----------------------------------------------------|------------------------------------------------------|
|                          |                                                    |                                                      |
| Mainland China           | 1,352,914                                          | 1,388,481                                            |
| Overseas                 | 18,474                                             | 18,838                                               |
| Total non-current assets | 1,371,388                                          | 1,407,319                                            |

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 3. Operating segment information (Continued)

#### Information about major customers

Revenue from a single customer, including group of entities which are known to be under common control, accounted for over 10% of the Group's total revenue during the six months ended 30 June 2024 and 2025 are as follows:

|            | Six months ended 30 June |             |
|------------|--------------------------|-------------|
|            | 2025                     | 2024        |
|            | RMB'000                  | RMB'000     |
|            | (Unaudited)              | (Unaudited) |
| Customer A | 231,434                  | 198,957     |

### 4. Revenue

An analysis of revenue is as follows:

|                                       | Six months ended 30 June |             |
|---------------------------------------|--------------------------|-------------|
|                                       | 2025                     | 2024        |
|                                       | RMB'000                  | RMB'000     |
|                                       | (Unaudited)              | (Unaudited) |
| Revenue from contracts with customers | 2,246,253                | 1,779,839   |

#### Revenue from contracts with customers

##### (i) Disaggregated revenue information

|                                       | Six months ended 30 June |                  |
|---------------------------------------|--------------------------|------------------|
|                                       | 2025                     | 2024             |
|                                       | RMB'000                  | RMB'000          |
|                                       | (Unaudited)              | (Unaudited)      |
| <b>Types of goods or services</b>     |                          |                  |
| Sales of lithium-ion battery products | 566,883                  | 588,007          |
| Sales of lead-acid battery products   | 1,612,845                | 1,152,430        |
| Others (a)                            | 66,525                   | 39,402           |
| <b>Total</b>                          | <b>2,246,253</b>         | <b>1,779,839</b> |
| <b>Timing of revenue recognition</b>  |                          |                  |
| Goods transferred at a point in time  | 2,246,253                | 1,779,839        |

- (a) The amounts mainly include revenue from sales of waste including lead slag, used batteries, and electricity sales.



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 4. Revenue (Continued)

#### Revenue from contracts with customers (Continued)

##### (i) Disaggregated revenue information (Continued)

The following table shows the amounts of revenue recognised in each of the six months ended 30 June 2024 and 2025 that were included in the contract liabilities at the beginning of each of the Relevant Periods and recognised from performance obligations satisfied in previous years:

|               | Six months ended 30 June |                        |
|---------------|--------------------------|------------------------|
|               | 2025                     | 2024                   |
|               | RMB'000<br>(Unaudited)   | RMB'000<br>(Unaudited) |
| Sale of goods | 39,640                   | 63,014                 |

##### (ii) Performance obligations

Information about the Group's performance obligations is summarised below:

#### Sales of goods

The performance obligation is satisfied upon the acceptance of the lead-acid battery products, lithium-ion battery products and others by the customers and payment is generally due within 30 to 120 days from delivery.

The amounts of transaction price allocated to the performance obligations (unsatisfied or partially unsatisfied) as at the end of each of the six months ended 30 June 2024 and 2025 are as follows:

|                                                                  | Six months ended 30 June |                        |
|------------------------------------------------------------------|--------------------------|------------------------|
|                                                                  | 2025                     | 2024                   |
|                                                                  | RMB'000<br>(Unaudited)   | RMB'000<br>(Unaudited) |
| Amounts expected to be recognised as revenue:<br>Within one year | 86,861                   | 91,493                 |



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 5. Profit before tax

The Group's profit before tax is arrived at after charging/(crediting):

|                                                                     | Six months ended 30 June |                        |
|---------------------------------------------------------------------|--------------------------|------------------------|
|                                                                     | 2025                     | 2024                   |
|                                                                     | RMB'000<br>(Unaudited)   | RMB'000<br>(Unaudited) |
| Cost of inventories sold                                            | 1,910,516                | 1,438,543              |
| Depreciation of property, plant and equipment                       | 76,623                   | 53,969                 |
| Depreciation of right-of-use assets                                 | 7,847                    | 6,201                  |
| Amortisation of other intangible assets                             | 1,535                    | 1,762                  |
| Research and development costs*                                     | 26,653                   | 16,604                 |
| Lease payments not included in the measurement of lease liabilities | 2,933                    | 3,353                  |
| Auditor's remuneration                                              | 192                      | 1,648                  |
| Listing expenses                                                    | 2,126                    | 436                    |
| Wages and salaries                                                  | 146,447                  | 148,271                |
| Pension scheme contributions                                        | 16,110                   | 16,310                 |
| Share incentive plan expense                                        | 4,634                    | 9,106                  |
| Foreign exchange differences, net                                   | (2,062)                  | (6,084)                |
| Impairment losses on financial and contract assets, net:            |                          |                        |
| Impairment of trade and bills receivables, net                      | 841                      | 238                    |
| Impairment of contract assets, net                                  | (457)                    | 58                     |
| Provision for prepayments, other receivables and other assets, net  | 2,056                    | 987                    |
| Provision for product warranty                                      | 21,043                   | 15,564                 |
| Reversal of write-down of inventories to net realisable value       | (5,404)                  | (15,220)               |

\* Research and development costs do not include expenses relating to staff costs, depreciation and amortisation expenses, which are included in the respective total amounts disclosed separately above for each of these types of expenses.

### 6. Income tax

The Group is subject to income tax on an entity basis on profits arising in or derived from the countries or jurisdictions in which members of the Group are domiciled and operate.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and the Implementation Regulation of the EIT Law, the EIT rate of the PRC subsidiaries is 25% unless they are subject to preferential tax as set out below:

The Company was qualified as a High and New Technology Enterprise in 2022 and is entitled to a preferential tax rate of 15% (six months ended 30 June 2024: 15%). This qualification is subject to review by the relevant tax authority in the PRC for every three years.



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 6. Income tax (Continued)

Shuangdeng Front was qualified as a High and New Technology Enterprise in 2024 and is entitled to a preferential tax rate of 15% (six months ended 30 June 2024: 15%). This qualification is subject to review by the relevant tax authority in the PRC for every three years.

Shuangdeng Runyoung was qualified as a High and New Technology Enterprise in 2022 and is entitled to a preferential tax rate of 15% (six months ended 30 June 2024: 15%). This qualification is subject to review by the relevant tax authority in the PRC for every three years.

Huifeng Juneng was qualified as a High and New Technology Enterprise in 2024 and is entitled to a preferential tax rate of 15% (six months ended 30 June 2024: 15%). This qualification is subject to review by the relevant tax authority in the PRC for every three years.

|                                     | Six months ended 30 June |                        |
|-------------------------------------|--------------------------|------------------------|
|                                     | 2025                     | 2024                   |
|                                     | RMB'000<br>(Unaudited)   | RMB'000<br>(Unaudited) |
| Current income tax – Mainland China | 19,494                   | 23,457                 |
| Current income tax – Overseas       | 258                      | 7                      |
| Deferred income tax                 | (1,171)                  | (219)                  |
| Income tax charge for the period    | 18,581                   | 23,245                 |

### 7. Dividends

|           | Six months ended 30 June |                        |
|-----------|--------------------------|------------------------|
|           | 2025                     | 2024                   |
|           | RMB'000<br>(Unaudited)   | RMB'000<br>(Unaudited) |
| Dividends | 60,906                   | 73,803                 |

The Board of Directors declared the payment of a final dividend of RMB0.206 and RMB0.170 per ordinary share for the six months ended 30 June 2024 and 2025, respectively.



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 8. Earnings per share attributable to ordinary equity holders of the parent

The basic earnings per share is calculated based on the profit attributable to the owners of the parent and the weighted average number of ordinary shares outstanding during the six months ended 30 June 2024 and 2025. The Group had no potentially dilutive ordinary shares outstanding during the six months ended 30 June 2024 and 2025.

The calculations of basic and diluted earnings per share are based on:

|                                                                                                                                        | Six months ended 30 June |             |
|----------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------|
|                                                                                                                                        | 2025                     | 2024        |
|                                                                                                                                        | RMB'000                  | RMB'000     |
|                                                                                                                                        | (Unaudited)              | (Unaudited) |
| <b>Earnings</b>                                                                                                                        |                          |             |
| Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations            | 160,633                  | 164,988     |
| <b>Shares</b>                                                                                                                          |                          |             |
| Weighted average number of ordinary shares outstanding during the period used in the basic and diluted earnings per share calculations | 358,269,000              | 358,269,000 |

### 9. Property, plant and equipment

As at 30 June 2025 and 31 December 2024, certain of the Group's property, plant and equipment with a net carrying amount of approximately RMB423,596,000 and RMB125,114,000, respectively, were pledged to secure certain interest-bearing bank and other borrowings of the Group.

During the six months ended 30 June 2025, the Group acquired assets at a cost of RMB45,432,000 (30 June 2024: RMB110,549,000).

Assets (other than those classified as held for sale) with a net book value of RMB1,374,000 were disposed of by the Group during the six months ended 30 June 2025 (30 June 2024: RMB93,000), resulting in a net loss on disposal of RMB309,000 (30 June 2024: Nil).



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 10. Trade and bills receivables

An ageing analysis of the trade and bills receivables as at the end of the Reporting Period, based on the invoice date and net of loss allowance, is as follows:

|                 | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|-----------------|-------------------------------------------|---------------------------------------------|
| Within 6 months | 1,961,565                                 | 2,002,842                                   |
| 7 to 12 months  | 302,321                                   | 207,905                                     |
| 1 to 2 years    | 101,124                                   | 100,448                                     |
| 2 to 3 years    | 5,439                                     | 6,132                                       |
| 3 to 4 years    | 1,028                                     | 954                                         |
| Total           | 2,371,477                                 | 2,318,281                                   |

### 11. Trade and bills payables

An ageing analysis of the trade and bills payables as at the end of the Reporting Period, based on the invoice date, is as follows:

|               | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|---------------|-------------------------------------------|---------------------------------------------|
| Within 1 year | 1,314,797                                 | 973,979                                     |

### 12. Commitments

The Group had the following contractual commitments at the end of the Reporting Period:

|                                                    | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|----------------------------------------------------|-------------------------------------------|---------------------------------------------|
| Contracted, but not provided for:                  |                                           |                                             |
| Purchase of items of property, plant and equipment | 36                                        | 160,414                                     |



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 13. Contingent liabilities

As at 30 June 2025, the Group did not have any contingent liabilities.

### 14. Related party transactions

#### (a) Name and relationship

| Name of related party*                                                                                                                                                                                                                                                         | Relationship with the Company                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| Shuangdeng Tianpeng Metallurgical Jiangsu Co., Ltd. (「雙登天鵬冶金江蘇有限公司」)                                                                                                                                                                                                           | Associate of the company                       |
| Shuangdeng Cable Co., Ltd.<br>(「雙登電纜股份有限公司」)**                                                                                                                                                                                                                                 | Company controlled by Dr. Yang Rui             |
| Jiangsu Fushanda New Energy Technology Co., Ltd. (「江蘇福善達新能源科技有限公司」)**                                                                                                                                                                                                          | Company controlled by Dr. Yang Rui             |
| Jiangsu Shuangdeng Group Limited<br>(「江蘇雙登集團有限公司」)                                                                                                                                                                                                                             | Company controlled by Mr. Yang Shanji          |
| Jiangsu Weili Energy Materials Co., Ltd.<br>(「江蘇維鋰新能源材料有限公司」)                                                                                                                                                                                                                  | Company controlled by Mr. Yang Shanji's nephew |
| * The English names of these companies registered in the PRC represent the translated names of these companies as no English names have been registered.                                                                                                                       |                                                |
| ** Before August 2024, Shuangdeng Cable Co., Ltd. and Jiangsu Fushanda New Energy Technology Co., Ltd. were controlled by Mr. Yang Shanji. Since August 2024, Shuangdeng Cable Co., Ltd. and Jiangsu Fushanda New Energy Technology Co., Ltd. were controlled by Dr. Yang Rui. |                                                |



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 14. Related party transactions (Continued)

(b) The Group had the following transactions with related parties during the period:

|                                                     |       | For the six months ended 30 June |             |
|-----------------------------------------------------|-------|----------------------------------|-------------|
|                                                     |       | 2025                             | 2024        |
|                                                     | Notes | RMB'000                          | RMB'000     |
|                                                     |       | (Unaudited)                      | (Unaudited) |
| Sales of goods to:                                  |       |                                  |             |
| Shuangdeng Tianpeng Metallurgical Jiangsu Co., Ltd. | (i)   | 14,521                           | 16,116      |
| Jiangsu Weili Energy Materials Co., Ltd.            |       | 299                              | –           |
| Total                                               |       | 14,820                           | 16,116      |
| Purchases of products/services from:                |       |                                  |             |
| Jiangsu Fushanda New Energy Technology Co., Ltd.    | (i)   | 17,508                           | 11,400      |
| Shuangdeng Cable Co., Ltd.                          | (i)   | 1,024                            | 354         |
| Jiangsu Weili Energy Materials Co., Ltd.            |       | 565                              | –           |
| Total                                               |       | 19,097                           | 11,754      |
| Rental expenses to:                                 |       |                                  |             |
| Jiangsu Shuangdeng Group Limited.                   | (ii)  | 3,051                            | 3,744       |

Notes:

- (i) The prices are mutually agreed after taking the prevailing market prices into consideration.
- (ii) The Group has entered into lease agreements in respect of buildings from Jiangsu Shuangdeng Group Limited. The rental fees under the lease were RMB3,051,000 for the six months ended 30 June 2025. The Group recognised right-of-use assets of RMB3,568,000 and lease liabilities of RMB2,963,000 as at 30 June 2025. The transactions were made according to the prices and terms agreed with the related parties.



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 14. Related party transactions (Continued)

#### (c) Outstanding balance with related parties:

|                                                     | As at<br>30 June<br>2025<br>RMB'000<br>(Unaudited) | As at<br>31 December<br>2024<br>RMB'000<br>(Audited) |
|-----------------------------------------------------|----------------------------------------------------|------------------------------------------------------|
| Trade related:                                      |                                                    |                                                      |
| Due to related parties                              |                                                    |                                                      |
| Shuangdeng Cable Co., Ltd.                          | 524                                                | 674                                                  |
| Jiangsu Fushanda New Energy Technology Co., Ltd.    | 12,122                                             | 4,946                                                |
| Shuangdeng Tianpeng Metallurgical Jiangsu Co., Ltd. | 100                                                | 100                                                  |
| Total                                               | 12,746                                             | 5,720                                                |
| Trade related:                                      |                                                    |                                                      |
| Due from a related party                            |                                                    |                                                      |
| Jiangsu Weili Energy Materials Co., Ltd.            | 871                                                | –                                                    |

#### (d) Compensation of key management personnel of the Group:

|                                           | For the six months ended 30 June |                                |
|-------------------------------------------|----------------------------------|--------------------------------|
|                                           | 2025<br>RMB'000<br>(Unaudited)   | 2024<br>RMB'000<br>(Unaudited) |
| Salaries, allowances and benefits in kind | 2,688                            | 2,485                          |
| Performance related bonuses               | 2,872                            | 7,689                          |
| Share incentive plan expense              | 4,451                            | 2,262                          |
| Total                                     | 10,011                           | 12,815                         |



# Condensed Consolidated Interim Financial Information (Continued)

## **Notes to Interim Condensed Consolidated Financial Information** (Continued)

As at 30 June 2025

### **15. Fair value and fair value hierarchy of financial instruments**

Management has assessed that the fair values of cash and cash equivalents, time deposits, financial assets included in prepayments and other receivables, trade and bills receivables, due from related parties, trade and bills payables, financial liabilities included in other payables and accruals, due to related parties and current portion of interest-bearing bank borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of each of the Relevant Periods, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank borrowings as at the end of each of the Relevant Periods were assessed to be insignificant.

The Group invests in unlisted investments, which represent wealth management products issued by banks in Mainland China. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks. The fair values have been assessed to be approximate to their carrying amounts.

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 15. Fair value and fair value hierarchy of financial instruments (Continued)

#### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

| As at 30 June 2025                                                   | Fair value measurement using                                                 |                                                                            |                                                                              | Total<br>RMB'000<br>(Unaudited) |
|----------------------------------------------------------------------|------------------------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------------------------------------------------------|---------------------------------|
|                                                                      | Quoted prices<br>in active<br>markets<br>(Level 1)<br>RMB'000<br>(Unaudited) | Significant<br>observable<br>inputs<br>(Level 2)<br>RMB'000<br>(Unaudited) | Significant<br>unobservable<br>inputs<br>(Level 3)<br>RMB'000<br>(Unaudited) |                                 |
| Debt investments at fair value through<br>other comprehensive income | –                                                                            | 14,860                                                                     | –                                                                            | 14,860                          |
| Derivative financial instruments                                     | –                                                                            | 700                                                                        | –                                                                            | 700                             |
| <b>Total</b>                                                         | <b>–</b>                                                                     | <b>15,560</b>                                                              | <b>–</b>                                                                     | <b>15,560</b>                   |

| As at 31 December 2024                                               | Fair value measurement using                                               |                                                                          |                                                                            | Total<br>RMB'000<br>(Audited) |
|----------------------------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------------------------------|-------------------------------|
|                                                                      | Quoted prices<br>in active<br>markets<br>(Level 1)<br>RMB'000<br>(Audited) | Significant<br>observable<br>inputs<br>(Level 2)<br>RMB'000<br>(Audited) | Significant<br>unobservable<br>inputs<br>(Level 3)<br>RMB'000<br>(Audited) |                               |
| Debt investments at fair value through<br>other comprehensive income | –                                                                          | 3,073                                                                    | –                                                                          | 3,073                         |
| Financial assets at fair value through<br>profit or loss             | –                                                                          | 86,000                                                                   | –                                                                          | 86,000                        |
| Derivative financial instruments                                     | –                                                                          | 3,355                                                                    | –                                                                          | 3,355                         |
| <b>Total</b>                                                         | <b>–</b>                                                                   | <b>92,428</b>                                                            | <b>–</b>                                                                   | <b>92,428</b>                 |



# Condensed Consolidated Interim Financial Information (Continued)

## Notes to Interim Condensed Consolidated Financial Information (Continued)

As at 30 June 2025

### 15. Fair value and fair value hierarchy of financial instruments (Continued)

#### Fair value hierarchy (Continued)

Liabilities measured at fair value:

|                                  | Fair value measurement using                                               |                                                                          |                                                                            | Total |
|----------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------------------------------|-------|
|                                  | Quoted prices<br>in active<br>markets<br>(Level 1)<br>RMB'000<br>(Audited) | Significant<br>observable<br>inputs<br>(Level 2)<br>RMB'000<br>(Audited) | Significant<br>unobservable<br>inputs<br>(Level 3)<br>RMB'000<br>(Audited) |       |
| As at 31 December 2024           |                                                                            |                                                                          |                                                                            |       |
| Derivative financial instruments | 842                                                                        | –                                                                        | –                                                                          | 842   |

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2024: Nil).

### 16. Events after the reporting period

On 26 August 2025, the Company was successfully listed on the Stock Exchange following the completion of the issue of 58,557,000 H Shares at the price of HK\$14.51 per Share. Save as disclosed in this report, we are not aware of any material subsequent events since the end of the Reporting Period to the date of this report.



# Definition

|                                                |                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "the Company"                                  | SHUANGDENG GROUP CO., LTD. (雙登集團股份有限公司), a joint stock company with limited liability incorporated on 28 December 2011 in the PRC                                                                                                                                                                                  |
| "Audit Committee"                              | the Audit Committee of the Board                                                                                                                                                                                                                                                                                   |
| "Board of Directors"                           | the board of Directors                                                                                                                                                                                                                                                                                             |
| "Listing"                                      | the listing of the Shares on the Main Board of the Stock Exchange                                                                                                                                                                                                                                                  |
| "the Corporate Governance Code"                | the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.                                                                                                                                                                                                                                      |
| "Director(s)"                                  | the director(s) of our Company                                                                                                                                                                                                                                                                                     |
| "Dr. Yang" or "Dr. Yang Rui"                   | Dr. Yang Rui (楊銳), chairman of the Board, executive Director and chief executive officer of our Company                                                                                                                                                                                                            |
| "Employee Incentive Platform (s)"              | Taizhou Hexin and/or Taizhou Heying                                                                                                                                                                                                                                                                                |
| "Taizhou Hexin"                                | Taizhou Hexin Enterprise Management Center (Limited Partnership) (泰州合鑫企業管理中心(有限合夥)), a limited partnership established in the PRC on 17 March 2020 with Taizhou Hechuang acting as the general partner, one of our Controlling Shareholders and our Employee Incentive Platform                                    |
| "Taizhou Heying"                               | Taizhou Heying Enterprise Management Center (Limited Partnership) (泰州市合贏企業管理中心(有限合夥)), a limited partnership established in the PRC on 15 July 2019 with Taizhou Hechuang acting as the general partner, one of our Controlling Shareholders and our Employee Incentive Platform                                   |
| "Employee Incentive Scheme"                    | the employee incentive schemes adopted by our Company in June 2019 and December 2022                                                                                                                                                                                                                               |
| "Reporting period"                             | the period from 1 January 2025 to 30 June 2025                                                                                                                                                                                                                                                                     |
| "Hong Kong dollars" or "HK\$"                  | Hong Kong dollars and cents respectively, the lawful currency of Hong Kong                                                                                                                                                                                                                                         |
| "Hong Kong Stock Exchange" or "Stock Exchange" | the Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited                                                                                                                                                                                                     |
| "IFRS"                                         | the International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board (IASB) and the International Accounting Standards (IAS) and interpretations issued by the International Accounting Standards Committee (IASC) |



## Definition (Continued)

|                                                |                                                                                                                                                                                         |
|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "Listing"                                      | the listing of the H Shares on the Main Board of the Stock Exchange                                                                                                                     |
| "Listing Date"                                 | the date on which the H Shares are listed and on which dealings in the H Shares are first permitted to commence on the Hong Kong Stock Exchange on Tuesday, being 26 August 2025        |
| "Listing Rules"                                | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time                              |
| "Main Board"                                   | the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange |
| "NEA"                                          | the National Energy Administration of the PRC (中華人民共和國國家能源局)                                                                                                                            |
| "MIIT"                                         | the Ministry of Industry and Information Technology of the PRC (中華人民共和國工信部)                                                                                                             |
| "MOFCOM"                                       | Ministry of Commerce of the PRC (中華人民共和國商務部)                                                                                                                                            |
| "NDRC"                                         | the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)                                                                                                           |
| "National Financial Regulatory Administration" | the National Financial Regulatory Administration of the PRC (中華人民共和國國家金融監督管理總局)                                                                                                         |
| "R&D"                                          | research and development                                                                                                                                                                |
| "RMB"                                          | Renminbi, the lawful currency of the PRC                                                                                                                                                |
| "Share(s)"                                     | ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, including both Unlisted Shares and H Shares                                                       |
| "Shareholder(s)"                               | holder(s) of the Share(s)                                                                                                                                                               |
| "subsidiary(ies)"                              | has the meaning ascribed thereto under the Listing Rules                                                                                                                                |
| "substantial shareholder(s)"                   | has the meaning ascribed thereto under the Listing Rules                                                                                                                                |
| "Ah"                                           | Amp-hour, battery capacity unit                                                                                                                                                         |
| "BMS"                                          | Battery Management System                                                                                                                                                               |



## Definition (Continued)

|                                                      |                                                                                                                                                                                                                                              |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "AIDC data center"                                   | a specialized facility designed to house an organization's IT operations and equipment, such as servers, storage systems, networking devices, and other computing resources                                                                  |
| "discharge rate"                                     | the speed at which a battery releases its stored energy. It is typically expressed in terms of current (amperes, A) or as a C-rate                                                                                                           |
| "EMS"                                                | Energy Management System                                                                                                                                                                                                                     |
| "energy density"                                     | the amount of energy that can be contained within a given volume or given mass                                                                                                                                                               |
| "energy storage battery", or "energy storage system" | a device that can store and output power, consisting of multiple subsystems such as a battery system and an energy management system                                                                                                         |
| "GWh"                                                | unit of electricity, kWh is the degree, 1GWh=1,000,000kWh                                                                                                                                                                                    |
| "MWh"                                                | unit of electricity, kWh is the degree, 1MWh =1,000kWh                                                                                                                                                                                       |
| "installed capacity" or "installation"               | the volume of battery products installed in EVs or energy storage systems, usually expressed in electricity unit of GWh or kWh                                                                                                               |
| "lead-acid battery"                                  | rechargeable battery that relies on a combination of lead and sulfuric acid for its operation                                                                                                                                                |
| "lithium carbonate"                                  | a common lithium compound with the chemical formula $\text{Li}_2\text{CO}_3$ , which has a broad application range                                                                                                                           |
| "lithium-ion battery"                                | rechargeable battery that composes of cells in which lithium ions move from the negative electrode through electrolytes to the positive electrode during discharge and back when charging                                                    |
| "LFP"                                                | cathode material of lithium iron phosphate batteries with formula of $\text{LiFePO}_4$ , synthesized mainly by lithium carbonate and iron phosphate                                                                                          |
| "Sodium-ion batteries"                               | a rechargeable battery, which use sodium ions ( $\text{Na}^+$ ) as their charge carriers                                                                                                                                                     |
| "UL"                                                 | UL Solutions, a global leader in applied safety science who helps businesses demonstrate compliance with safety regulations and standards, fosters innovation, and enhances brand trust through rigorous testing and certification processes |
| "UL9540A"                                            | UL 9540A, a safety certification standard for battery energy storage systems published by UL of the US, focusing on evaluating and verifying the fire safety performance of systems under extreme conditions such as thermal runaway         |



## Definition (Continued)

|                |                                                                                                                                                                                                                                                                                              |
|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "GB36276-2023" | GB 36276-2023, a general safety technical specification for lithium-ion batteries used for electrical energy storage in China                                                                                                                                                                |
| "GB44240-2024" | GB 44240-2024 "Safety Regulations for Electrochemical Energy Storage Power Stations" (《電化學儲能電站安全規程》), a mandatory national standard issued in China, representing a core safety specification that must be complied with for the construction and operation of energy storage power stations |
| "IEC62619"     | IEC 62619, an international standard issued by the International Electrotechnical Commission (IEC) for safety requirements of industrial lithium-ion batteries and battery systems, providing a critical basis for global safety certification of energy storage products                    |
| "UL1973"       | UL 1973, a safety standard developed by UL of the US specifically for the safety evaluation of battery energy storage systems, providing fundamental safety criteria for the design, certification and market access of energy storage systems                                               |
| "IEC62477"     | IEC 62477, an international safety standard issued by the International Electrotechnical Commission for power electronic conversion systems, representing a critical basis for international safety certification of power conversion systems in energy storage systems                      |
| "EMC"          | EMC (Electromagnetic Compatibility), the ability of a device or system to operate normally in its electromagnetic environment without causing unacceptable electromagnetic interference to other devices in that environment                                                                 |

*Note:* In this report, any discrepancies between totals and sums of amounts listed are due to rounding.