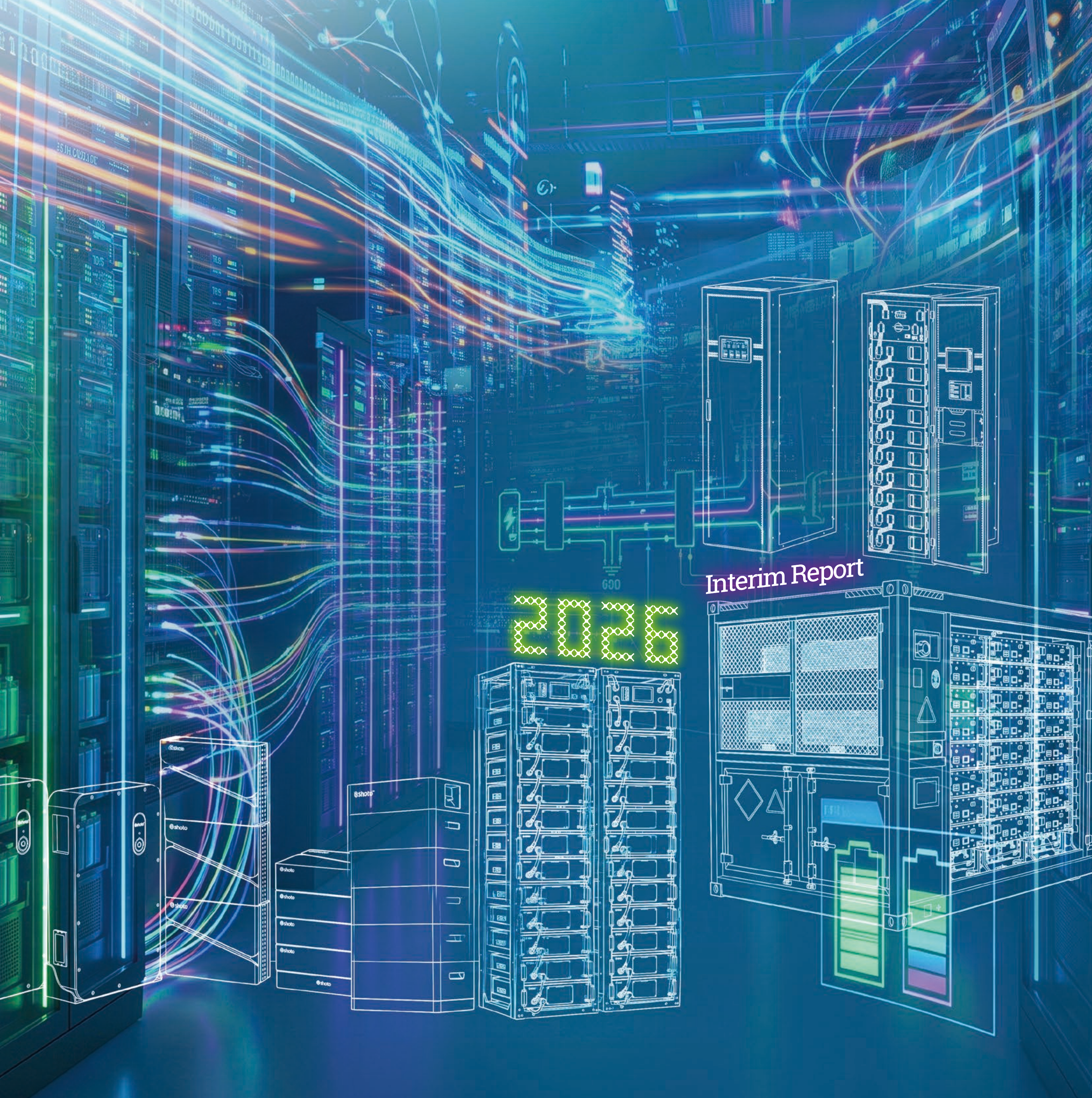
双登集团
SHUANGDENG GROUP

SHUANGDENG GROUP CO., LTD.
雙登集團股份有限公司

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

Stock Code: 06960



Interim Report 2026

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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)
Ms. Hu Shuxuan (胡舒璇) *(Appointed on 26 May 2026)*
Mr. Lou Zhiqiang (樓志強) *(Appointed on 26 May 2026)*

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) *(Resigned on 15 June 2026)*
Mr. Tam Ka Lung (譚家龍)
Mr. Ma Yunpeng (馬雲鵬) *(Appointed on 15 June 2026)*

Authorized Representatives

Ms. He Rong (賀蓉) *(Resigned on 15 June 2026)*
Mr. Tam Ka Lung (譚家龍)
Mr. Ma Yunpeng (馬雲鵬) *(Appointed on 15 June 2026)*

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Central
Hong Kong

As to PRC law:
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Auditor

Ernst & Young
Certified Public Accountants and Registered
Public Interest Entity Auditor
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Compliance Advisor

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Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited
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Principal Bankers

Agricultural Bank of China Taizhou Shuangdeng Branch

Company Website

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 2026 and the comparison with the corresponding period of last year are set out as follows:

	For the six months ended 30 June		
	2026	2025	
	RMB million	RMB million	Changes
	(Unaudited)	(Unaudited)	
Revenue	**2,636.8**	2,246.3	+17.4%
Gross Profit	**340.9**	335.7	+1.5%
(Loss)/Profit for the period	**–26.0**	160.6	–116.2%
(Loss)/Profit attributable to owners of the parent	**–26.0**	160.6	–116.2%
Basic (loss)/earnings per share (RMB)	**–0.06**	0.45	

Management Discussion and Analysis

INDUSTRY OVERVIEW

The global AI industry is accelerating its transition from competition in model capabilities to the large-scale development of infrastructure centred on AI Factories. At GTC 2026, NVIDIA identified token generation efficiency and cost as key metrics for evaluating AI infrastructure, and introduced the Vera Rubin platform and AI Factory reference design for Agentic AI. This reflects the evolution of AI computing infrastructure from standalone servers and server-level deployment towards integrated rack-level, cluster-level and campus-level systems. As the duration of inference tasks, concurrency scale and reliability requirements continue to increase, power capacity, energy efficiency and total lifecycle cost have increasingly become the key constraints in the construction of AIDCs. Under the trend of higher power density, conventional multi-stage power supply architectures face challenges relating to conversion losses, power distribution space and instantaneous power response. The 800V DC power architecture proposed by NVIDIA is intended to improve power supply efficiency and computing power density per unit area. According to SemiAnalysis, such architecture is expected to enter the initial deployment stage progressively from late 2026 to early 2027, with the initial deployment primarily adopting dedicated power cabinets to perform high-voltage DC conversion while integrating battery backup and transient power buffering functions. Rather than comprehensively replacing existing UPS and AC power distribution systems in the near term, this trend is expected to promote further modularisation and systematisation of backup power, power conversion, energy storage and power management.

The energy requirements of AIDC smart computing centers are principally divided into two application scenarios, namely highly reliable backup power and energy storage. Highly reliable backup power is primarily used to address grid outages, power supply switching and equipment failures, and is required to deliver high-rate power output within an extremely short period of time in order to provide uninterrupted power supply to critical IT loads, while imposing stringent requirements on battery cell consistency, system safety, BMS response speed, footprint and maintenance efficiency. Energy storage systems primarily focus on regulation over periods ranging from minutes to hours and may be utilised for bridging power supply, demand charge management, renewable energy consumption, demand response and coordinated source-grid-load-storage operations. Meanwhile, large-scale AI training and inference workloads may experience significant pulsed power fluctuations within a short period of time, which cannot be accommodated by traditional power architectures. High-rate lithium battery systems have inherent advantages in this regard, further increasing the demand of data centers for rapid power support and energy management systems. As a result, competition in AIDC energy infrastructure is gradually shifting from the supply of standalone battery products to comprehensive competitiveness encompassing battery cells, BMS, power conversion, system integration, intelligent operation and maintenance, and full lifecycle service capabilities.

In overseas markets, power capacity and grid connection timelines have become key constraints on the expansion of major data centre markets in North America. According to a study published by the Electric Power Research Institute in 2026, the proportion of electricity consumption attributable to data centres in the United States is expected to increase from the current level of approximately 4% to 5% to between 9% and 17% by 2030. SemiAnalysis also noted that there is a mismatch in both timing and geographical distribution between the rapid growth in demand for AI data centres and the addition of reliable grid capacity, prompting certain large-scale projects to explore behind-the-meter power supply, on-site power generation and energy storage solutions. In March 2026, NVIDIA, together with energy and power companies, introduced the concept of a "Flexible AI Factory", which integrates on-site power generation, energy storage, computing workload scheduling and grid services to shorten the time required for projects to obtain power supply while providing load balancing capabilities during peak grid demand periods. The above trends indicate that the role of energy storage in overseas AIDC projects is expanding from emergency backup power to broader applications, including bridging power supply, power quality management, grid connection optimisation and grid interaction. The Group will regard North America as one of the key markets for the international expansion of its AIDC business and will continue to advance international certification, customer qualification and project development for its high-rate lithium battery products.

In the domestic market, the coordinated development of computing infrastructure and the new power system has received more explicit policy support. The Government Work Report in 2026 proposed the implementation of new infrastructure projects, including ultra-large-scale intelligent computing clusters and the coordinated development of computing and power resources, as well as strengthening the nationwide integrated monitoring and scheduling of computing power. In June 2026, the National Development and Reform Commission and the National Energy Administration jointly issued the 15th Five-Year Plan for the Construction of a New Energy System, which proposed promoting the integrated development of the power sector with industries such as computing power, developing intelligent microgrids and direct renewable energy supply according to local conditions, and vigorously developing new energy storage and long-duration energy storage. The plan also encourages the broader application of new energy storage in areas such as coordinated power generation, grid stability support, microgrids and virtual power plants. In addition, the plan sets a target of achieving 300 million kW of installed new energy storage capacity by 2030. These policies are expected to further promote the coordinated planning of computing infrastructure and power resource allocation, while creating additional market opportunities for backup power systems, behind-the-meter energy storage, direct renewable energy supply and integrated source-grid-load-storage applications for AIDC smart computing centers.

The scale of the PRC's new energy storage industry continues to expand. According to statistics published by the National Energy Administration, as of the end of 2025, the installed capacity of new energy storage projects that had been completed and commissioned nationwide reached approximately 136 million kW, representing an increase of approximately 84% as compared with the end of 2024. As the proportion of renewable energy generation continues to increase, the electricity spot market and ancillary service mechanisms are progressively improved, and applications such as standalone energy storage, commercial and industrial energy storage, virtual power plants and long-duration energy storage continue to develop, industry demand is expected to shift from pursuing installation scale alone towards greater emphasis on safety performance, dispatch efficiency, cycle life and lifecycle project returns. For energy storage enterprises, the key competitive factors will include battery cell and system safety, scenario-based product capabilities, project delivery, intelligent operation and maintenance, cost control and global service capabilities.

In general, the growth in demand for AI computing power, increasing rack power density, constraints on grid access and policies promoting the coordinated development of computing power and power resources are collectively driving the upgrading of energy systems for AIDC smart computing centers. Although highly reliable backup power and new power energy storage are subject to different technical requirements and application scenarios, both are expected to evolve towards higher safety standards, higher power density, greater intelligence and enhanced system integration. Enterprises possessing capabilities in battery cell research and development, BMS, system integration, scenario-based solutions, international certification and global delivery will be better positioned to capture the opportunities arising from the growing demand for backup power solutions for AIDC smart computing centers, new power energy storage systems and the upgrading of overseas energy infrastructure.

BUSINESS REVIEW

During the Reporting Period, the Group steadfastly advanced its "one core, two wings" business strategy, with AIDC smart computing center energy storage serving as its core growth engine, supported by new power energy storage and telecom energy storage as its two key business pillars, thereby continuously optimising its business and revenue structure. As the AIDC energy storage and new power energy storage businesses accelerated their growth, the Group's revenue growth momentum shifted from being primarily driven by the telecom energy storage business to a new stage characterised by AIDC energy infrastructure as the leading growth driver, complemented by the coordinated development of multiple business segments. The Group is also accelerating its transformation from a traditional telecom energy storage product supplier into a global provider of energy infrastructure solutions for AIDC smart computing center, with further progress being made in its strategic transformation and business structure upgrade.

During the Reporting Period, the Group recorded revenue of approximately RMB2,636.8 million, representing a year-on-year increase of approximately 17.4%. Revenue generated from lithium-ion battery products increased by approximately 95.5% year-on-year, accounting for 42.0% of the Group's revenue during the Reporting Period, reflecting a significant optimisation in the product structure and substantially enhanced growth momentum. Notably, revenue from lithium-ion battery products for AIDC smart computing center applications increased by more than 400 times year-on-year. The AIDC energy storage business maintained its growth momentum. As the Group's largest source of revenue, it accounted for 52.5% of revenue in the Reporting Period, compared with 45.8% in the corresponding period last year, and remained a primary driver of the Group's revenue growth. Meanwhile, revenue from the new power energy storage business increased by approximately 354.7% year-on-year, also maintaining strong growth momentum. The telecom energy storage business generated revenue of RMB571.8 million, representing a year-on-year decrease of 40.9%. The Group proactively optimised the order mix of its telecom energy storage business and strategically reduced certain orders with relatively low gross profit margins, thereby concentrating resources on projects with higher profitability.

During the Reporting Period, the Group recorded a loss for the period of approximately RMB26.0 million. While orders for the Group's core businesses continued to grow and its production and operations progressed normally, several temporary and non-core operational factors had a relatively concentrated impact on the Group's profit for the current period. Among these, taxes and related expenses arising from historical tax matters amounted to approximately RMB80.0 million, while exchange losses resulting from foreign exchange fluctuations amounted to approximately RMB56.0 million, both of which were recognised during the Reporting Period. In addition, adjustments to the export VAT rebate policy for battery products, coupled with the temporary increase in the prices of certain major raw materials and increased research and development investment, also exerted certain pressure on the Group's short-term profitability. Such research and development investment was primarily focused on high-rate lithium batteries dedicated for AIDCs, semi-solid-state energy storage batteries, BMS and system safety management. Such investments are characterised by upfront investments and are gradually entering the stage of generating economies of scale and investment returns.

During the Reporting Period, the Group's production and operations remained generally stable, while the delivery of orders on hand and key projects progressed as planned. The Group also continued to optimise its supply chain, enhance production efficiency and strengthen cost control. In terms of orders, newly secured orders in the first half of 2026 increased by more than 55% year-on-year, of which lithium battery orders accounted for nearly 55%. Newly secured orders for AIDC smart computing center energy storage increased by more than 80% year-on-year, among which newly secured AIDC energy storage lithium battery orders exceeded RMB600 million, representing an increase of more than 20 times as compared with the corresponding period last year. Newly secured orders for the new power energy storage business also increased by more than 230% year-on-year. Such order growth demonstrates the Group's continuing optimisation of its business portfolio towards lithium battery products, AIDC-related applications and high value-added application scenarios. However, revenue from such orders will be recognised progressively based on project delivery schedules and in accordance with the applicable accounting standards. As prices of major raw materials gradually stabilise, the product mix continues to improve and cost reduction and efficiency enhancement measures are progressively implemented, the profitability of the Group's principal businesses is well positioned for improvement.

1. AIDC Smart Computing Center Energy Storage Business: Core growth engine maintaining its momentum with robust business expansion

During the Reporting Period, shipments of the Group's AIDC smart computing center energy storage systems continued to increase. Revenue from the AIDC smart computing center energy storage business reached approximately RMB1,385.3 million, representing a year-on-year increase of approximately 34.8%, continuing to experience rapid growth and remaining the Group's largest source of revenue, accounting for 52.5% of the Group's revenue during the Reporting Period. In particular, revenue from AIDC energy storage lithium battery continued to grow rapidly. The revenue contribution from high-rate lithium battery products and system solutions continued to increase, fully demonstrating the Group's transformative upgrade in its business structure and further enhancing the Group's competitiveness in the AIDC energy infrastructure sector.

In terms of project expansion, the Group successfully secured the bid for the first large-scale integrated energy storage project within an AIDC campus in the PRC featuring "direct renewable energy supply and integrated source-grid-load-storage applications". This milestone signifies the further expansion of the Group's AIDC business capabilities from the supply of conventional backup power products to campus-level energy systems and integrated source-grid-load-storage applications. The project integrates the energy storage system with renewable energy supply, campus energy consumption and grid operation, thereby enhancing renewable energy utilisation, power supply reliability and overall energy efficiency of the campus. It also establishes a demonstration project for the Group's future expansion into large-scale integrated energy projects for AIDC campuses.

In terms of customer development, the Group continued to deepen its cooperation with leading domestic cloud service providers, internet companies, data centre operators and colocation service providers by providing AIDC energy storage product solutions to customers including Alibaba, ByteDance and GDS, while actively participating in product selection, system design and scenario adaptation for customers' new construction and upgrade projects. Leveraging its technological expertise in high-rate batteries, BMS, system integration and long-term service capabilities, the Group's cooperation with its core customers is gradually expanding from the supply of individual products to multi-product, multi-scenario and full lifecycle service offerings.

In overseas markets, the Group regards North America as a key strategic market for the global expansion of its AIDC energy storage business. As the construction of local AI computing infrastructure continues to accelerate, market demand for AIDC energy storage products featuring high power density, high safety standards and high reliability continues to grow. The Group will leverage its long-established overseas customer base in the telecommunications sector, extensive international certification experience and capabilities in adapting to complex application environments to further enhance the competitiveness of its AIDC energy storage products in terms of safety performance, power response, system integration and full lifecycle services. The Group is actively advancing international certification, customer qualification and project development for its relevant products and has secured certain overseas orders for AIDC energy storage. In the future, the Group will capitalise on its established customer relationships, product certifications and project experience to actively support the overseas expansion of leading domestic cloud service providers and data centre customers, while at the same time expanding its local customer base overseas. In conjunction with the construction of its manufacturing base in Malaysia, the Group will further strengthen its local manufacturing, system integration, delivery and after-sales service capabilities, enhance supply chain resilience and global delivery capabilities, and drive North America and other overseas markets to become new sources of growth for the Group.

2. Global Production Capacity Deployment – Strengthening production capacity assurance and global delivery capabilities

To capture the growth opportunities arising from the AIDC smart computing center energy storage and new power energy storage markets, the Group continued to advance its "China+" global manufacturing strategy. With its production facilities in the PRC serving as the core manufacturing and technology base, the Group is progressively enhancing its overseas local manufacturing and delivery capabilities, thereby providing production capacity support for business expansion and product mix upgrades.

During the Reporting Period, the Group's 2.8 GWh lithium-ion battery cell manufacturing facility in Xiangyang, Hubei, which commenced operation in 2025, maintained full-capacity operation, with a capacity utilisation rate exceeding 100%. It effectively supported the delivery of new power energy storage orders and the growth of related business revenue, while further enhancing the Group's self-sufficiency in the supply of lithium battery cells.

To further reinforce the strategic importance of its AIDC business, the Group is actively advancing the construction of its 2.8 GWh high-rate lithium battery production line dedicated to AIDC smart computing centers in Taizhou, Jiangsu, which is expected to commence operation in the second half of 2026. As the new production capacity is progressively brought into operation, it is expected to further enhance the Group's supply and delivery capabilities for high-rate lithium battery products for AIDC smart computing centers, support the continued growth of related revenue, and improve the Group's overall profitability through product mix optimisation, higher capacity utilisation and realising economies of scale. To meet market demand for energy storage products featuring high safety standards, large capacity and long cycle life in the AIDC energy storage market, the Group is also progressing with the construction of its planned 12 GWh semi-solid-state energy storage battery project, which will refine the Group's production capacity across the entire value chain, from battery cells and battery modules to energy storage systems, thereby laying a solid foundation for the future expansion and large-scale delivery of AIDC energy storage projects.

With respect to its overseas production capacity, the Group continued to advance the planning and construction of its manufacturing base in Malaysia, which is planned to have a production capacity of 2 GWh of lithium batteries to serve the overseas AIDC smart computing center energy storage markets. Upon completion, the Malaysia manufacturing base is expected to shorten delivery cycles for overseas customers, enhance local services and supply chain resilience, and further support the Group's expansion into global markets.

3. Continued Investment in Research and Development and Technological Innovation to Build a Strong Product Technology Barriers

During the Reporting Period, the Group adhered to its philosophy of "scenario-driven technology, safety-led applications", and continued to increase its investment in research and development. Research and development expenses for the first half of 2026 increased by approximately 34.5% year-on-year, reflecting intensified efforts in research and development. The Group focused on breakthroughs in core technologies and product innovation, providing solid support for its strategic transformation and the enhancement of its market competitiveness. The Group achieved phased progress in the research and development, commercial application and market promotion of products including high-rate lithium batteries, semi-solid-state batteries and sodium-ion batteries. During the Reporting Period, the Group was granted 13 patents, including 4 invention patents, and filed 51 new patent applications, further strengthening its technological capabilities and building a solid product technology barriers.

In terms of product innovation, the Group remained application-oriented and customer-oriented, and continued to launch a new generation of products with discharge rates exceeding 10C, which are ideally suited for the application of next-generation HVDC (high-voltage direct current) technology in AIDC energy systems. Focusing on the core requirements of high-power backup power for AIDC smart computing centers, intrinsic safety for new power energy storage and intelligent operation and maintenance, the Group continued to advance collaborative innovation in battery cells, battery systems and digital management platforms. During the Reporting Period, the Group launched a number of innovative products and solutions, including:

- Upgraded high-rate lithium battery products for AIDC: Targeting the characteristics of AI computing clusters, including frequent load fluctuations, high instantaneous power demand and limited equipment room space, the Group launched its next-generation DP60 high-rate lithium iron phosphate system, equipped with its self-developed high-rate battery cells. The battery cells incorporated in the product deliver a power density of more than 1,000 W/kg. The system provides a rated power output of 630 kW per cabinet, while occupying a footprint of only 0.48 m^2 per cabinet. It is capable of providing rapid power support for instantaneous peak loads in AIDC smart computing centers, thereby further enhancing power supply reliability and space utilisation efficiency in high-density computing environments.

- Innovative large-capacity semi-solid-state energy storage system: The Group launched the Power Warden 4.0 AI+ 8 MWh semi-solid-state container energy storage system, which is equipped with the self-developed 755 Ah large-capacity semi-solid-state battery cells and has a rated system capacity of 8,040 kWh. The battery cells adopt multi-gradient solid electrolyte doping and in-situ polymerisation technologies, and have successfully passed safety tests including nail penetration, overcharge and crush tests. The large-capacity battery cell design helps reduce the number of parallel battery strings, simplify the system topology and lower full lifecycle operation and maintenance costs. The system is well suited for large-scale AIDC smart computing center campuses, new power grids and other high-reliability energy storage applications.

- Upgraded intelligent battery management and digital operation and maintenance: The Power Warden 4.0 AI+ system is equipped with the Group's self-developed "Tianshu Zhiheng (天樞智衡)" all-domain AI-BMS management platform, which performs real-time analysis and control of battery cell conditions and system operating status through coordinated multi-model computing. The system is also supported by the "AI Zhimou (AI 智眸)" digital twin operation and maintenance platform, enabling functions including fault diagnosis, risk assessment, operation and maintenance solution generation and equipment management, thereby facilitating the evolution of energy storage systems from passive monitoring to proactive warning and intelligent operation and maintenance.

- Breakthroughs in Low-Temperature Sodium Battery Technology: In collaboration with Tsinghua University, the Group co-developed the first domestic mass-production low-temperature sodium-ion battery solution for telecommunications and ultra-low-temperature applications, with the core breakthroughs of "stable discharge at temperatures as low as -40°C, normal charging without heating at -30°C, and operation over a wide temperature range". The product has already achieved large-scale commercial deployment.

- Aqueous zinc-ion energy storage solution for AIDC: Targeting small and medium sized smart computing centers, lightweight equipment rooms and edge computing nodes, the Group launched an AIDC-dedicated aqueous zinc-ion energy storage solution. The solution is equipped with 90 Ah aqueous zinc-ion battery cells and adopts an aqueous electrolyte together with a slim modular design. Each module weighs approximately 20 kg, while each cabinet is capable of delivering a rated power output of up to 336 kW. The solution enhances intrinsic product safety, deployment flexibility and on-site operation and maintenance convenience, while further enriching the Group's technology roadmap and product portfolio for different AIDC application scenarios.

- Product safety validation and global market access: During the Reporting Period, the Group continued to strengthen the safety testing of its battery cells and energy storage systems and enhance their compliance with international standards. The DP60 product (including its battery cells) obtained multiple certifications, including UL 9540A, UL 1973, IEC 62619 and UN38.3. The Group's 5 MWh liquid-cooled container energy storage system successfully passed the UL 9540A sixth edition full-scale fire test, while its 5 MWh semi-solid-state liquid-cooled container energy storage system obtained certifications under GB/T 36276-2023 and GB 44240-2024. These achievements further strengthened the safety credentials and market access capabilities of the Group's products in overseas AIDC supporting infrastructure markets and the new power energy storage market.

ESG and Sustainable Development

The Group has always integrated ESG concepts into every aspect of its corporate strategic planning, operational management, and business innovation, striving for the synergistic development of economic, environmental, and social benefits. Through concrete actions, we bring to life our vision of "Store love and green energy". In enhancing corporate governance, since listing on the Main Board of the Hong Kong Stock Exchange, the Group has further refined its corporate governance structure, strengthened the Board's leadership and oversight of ESG work, and established robust internal control and risk warning mechanisms. These measures ensure business operations are lawful and compliant, and information disclosure is timely and transparent, as the Group aspires to be a trusted value partner in the international capital market.

In environmental protection, the Group adheres to ‘full lifecycle green management’ as its core philosophy, continuously strengthening the foundation for green development. The Group is deeply engaged in the AIDC smart computing center energy storage, new power energy storage and telecom energy storage, actively building a comprehensive green industrial chain. Its two major lithium battery bases in Taizhou and Hubei promote full lifecycle low-carbon production processes. Through technological innovation, the Group promotes the efficient utilization of resources, effectively reduces carbon emissions, and contributes to the achievement of the “dual carbon” goals.

In social empowerment, the Group respects the individuality of its employees and values their growth. The Group has established a platform for diversified development and growth and continuously improved its talent cultivation system to provide employees with broad opportunities for advancement. Dr. Yang Rui, the chairman, executive director and chief executive officer of the Group, was appointed as a member of the Seventh University Council of Nanjing University, where he will actively promote university-enterprise collaboration, talent cultivation, discipline development and the deep integration of industry, academia and research. The Group also established the Shuangdeng Charitable Foundation, which upholds the philosophy of “Strive for Goodness, Act with Kindness”. It focuses on education support, talent development, technological innovation and charitable assistance, and continues to undertake public welfare initiatives, including scholarship programs and assistance for those in need, thereby fulfilling the Group’s corporate social responsibilities. The Foundation has established the Shuangdeng Scholarship at Nanjing University to support the academic and personal development of university students. Leveraging this initiative as a platform, the Group also seeks to foster multi-dimensional cooperation with the University in areas including next-generation energy storage, green energy, scientific research and innovation, talent cultivation and the commercialization of technological achievements in the era of artificial intelligence.

Since 1995, the Group has engaged in enterprise-academia cooperation with universities including Harbin Institute of Technology and Harbin Engineering University for more than 30 years, with areas of cooperation covering the establishment of scholarships, joint research and development projects, technical exchanges and talent cultivation. The Group has established the Shuangdeng Scholarship and Shuangdeng Charitable Foundation Scholarship at the two universities respectively, continuously providing funding and encouragement to outstanding students in the field of electrochemical energy storage; jointly established the Ministry of Education Engineering Research Center – Shuangdeng Base with Harbin Institute of Technology, and entered into a strategic cooperation agreement with Harbin Engineering University, achieving a series of cooperation results in energy storage technology research and development, commercialisation of research results and joint cultivation of postgraduate students, thereby cultivating and supplying a large number of professional talents for the industry.

In customer value creation, the Group remains steadfast in its commitment to quality, continuously researching and developing high-quality, efficient solutions that create value and support its customers in achieving sustainable development.

FUTURE OUTLOOK

Looking ahead, the Group believes that the continuous increase in AI rack power density and the expanding scale of AI computing clusters will further drive market demand for highly reliable backup power, instantaneous power support, power quality management, green energy utilisation and intelligent operation and maintenance. Meanwhile, the continued advancement of coordinated computing-power and power-resource development, new power systems and direct renewable energy supply applications in the PRC, together with challenges relating to power capacity, grid connection timeline and supply chain resilience in overseas markets such as North America, are driving the evolution of AIDC energy systems from conventional backup power solutions towards integrated energy systems combining backup power, energy storage and intelligent energy management. It is expected to create broader market opportunities across the Group's three principal business segments. The Group will continue to implement its "One Core, Two Wings" business strategy by further strengthening cooperation with leading domestic and overseas customers, accelerating order acquisition, project delivery and revenue realisation, and progressively bringing new production capacity into operation while continuously optimising its products, revenue structure and cost structure. The Group will also accelerate the implementation of its "China+" global manufacturing and service strategy to enhance its overseas market expansion and local delivery capabilities. At the same time, the Group will continue to strengthen research and development, international certification and customer qualification, with a view to accelerating the conversion of its technological, product, manufacturing and market advantages into sustainable growth drivers, thereby enhancing its revenue scale, profitability of its principal businesses and global competitiveness.

1. Strengthening Order Growth and Enhancing Delivery and Revenue Conversion Efficiency

The Group maintained strong growth in newly secured orders during the first half of 2026, reflecting not only the continued increase in market demand for AIDC smart computing center energy storage and new power energy storage, but also the accelerated transformation of the Group's newly secured business towards lithium battery products, AIDC applications and high value-added application scenarios. Revenue from these orders will be recognised progressively in accordance with project construction progress, product delivery schedules and the applicable accounting standards, providing support for the Group's future business growth.

The Group believes that the AIDC smart computing center energy storage market continues to offer significant growth potential. Going forward, the Group will continue to deepen its cooperation with leading domestic and overseas cloud service providers, internet companies, data center operators and colocation service providers, actively participating in product selection, system design and scenario adaptation for customers' new construction and upgrade projects. The Group will also continue to expand its integrated solution offerings from the supply of individual products to multi-product portfolios, system integration and full lifecycle services, focusing on application scenarios including high-rate backup power, integrated "direct renewable energy supply and source-grid-load-storage systems", and campus energy management. The Group expects its order growth will maintain strong and sustained momentum.

The addition of new production capacity will further enhance the Group's ability to undertake and convert orders. The Group's 2.8 GWh high-rate lithium battery production line dedicated to AIDC smart computing centers in Taizhou, Jiangsu, is expected to commence operation in the second half of 2026 and will primarily serve the demand for high-power, high-rate and highly reliable backup power solutions for AIDC. As the new production capacity is progressively brought into operation, the Group's supply and delivery capabilities for high-rate lithium battery products for AIDC will be further enhanced, helping to shorten delivery cycles for certain orders, significantly improve order conversion efficiency and provide production capacity support for revenue growth of the AIDC lithium battery business. The Group is also progressing, as planned, with the construction of its 12 GWh semi-solid-state energy storage battery cell and system integration project, which will continuously refine the Group's production capacity from battery cells and battery modules to container energy storage systems, providing additional production capacity to support large-scale new power energy storage projects, energy storage applications for AIDC campuses and other high-safety energy storage applications.

2. Optimising Product Structure and Cost Structure to Enhance the Profitability of the Group's Principal Businesses

The Group will continue to optimise its product and revenue structure. During the first half of 2026, revenue from the Group's lithium-ion battery products increased from approximately 25.2% in the corresponding period of 2025 to approximately 42.0%. As the AIDC energy storage business and the new power energy storage business continue to grow, together with the progressive ramp-up of production capacity, the revenue from the Group's high value-added and high-growth-potential AIDC energy storage products and related system solutions is expected to increase further.

Following the commencement of operation of the AIDC-dedicated high-rate lithium battery production line in Taizhou, the Group's delivery capability for high-rate battery cells and system products will be enhanced, enabling the Group to strengthen its control over product performance, production scheduling, delivery progress and manufacturing costs. As the new production capacity is progressively ramped up, capacity utilisation improves and production scale expands, the Group expects to further benefit from the dilution of fixed costs, economies of scale in procurement and manufacturing synergies.

The Group will also continue to strengthen supply chain management and cost control by optimising the procurement of major raw materials, supplier management, production scheduling, product standardisation and inventory turnover. The Group will enhance operational efficiency through process optimisation, automation upgrades, yield improvement and tighter expense control. Subject to the continued stability of major raw material prices and the competitive market environment, the optimisation of the product structure, enhanced self-sufficiency in the supply of lithium battery cells and the progressive realisation of economies of scale are expected to create favourable conditions for the recovery of the Group's gross profit margin and the improvement of the profitability of its principal businesses.

3. Deepening the "China+" Global Strategy to Enhance Overseas Market Presence and Local Delivery Capabilities

The Group will continue to advance its "China+" global manufacturing and service strategy, with its production facilities in the PRC serving as the centre for technology research and development, battery cell manufacturing and the supply of core products, while progressively strengthening its capabilities in product certification, customer qualification, local manufacturing, system integration, project delivery and after-sales services in overseas markets.

The Group has already secured a number of overseas orders for lithium battery products for data centres. As the construction of overseas AI computing infrastructure continues to accelerate and leading domestic cloud service providers and data centre customers continue to expand their overseas operations, the Group will leverage its established customer relationships, product certifications and project experience to focus on customer qualification, product approval and project development in the overseas market, thereby further expanding the Group's overseas AIDC business footprint.

To support its overseas expansion, the Group plans to establish 2 GWh of lithium battery production capacity at its manufacturing base in Malaysia to serve the overseas AIDC smart computing center energy storage markets. Upon completion of construction and the progressive commencement of production, the Malaysia manufacturing base will become an important hub within the Group's overseas supply chain and delivery network. It will work in synergy with product certification, customer qualification and project development activities in markets such as North America, helping to shorten delivery cycles for certain overseas orders, enhance supply chain resilience and customer service responsiveness, and mitigate the impact of cross-border supply chain disruptions on the Group's overseas business.

4. Continuing to Strengthen Research and Development and Certification Capabilities to Build Long-term Product Technology Barriers

The Group will continue to increase its investment in research and development, remain committed to a market-driven and customer application scenario-oriented approach, and develop new chemical system power sources for the AIDC, power energy storage and telecommunications markets, so as to promote the battery systems towards high-rate, high-safety, large-capacity, long-cycle, wide-temperature-range and intelligent applications and continuously upgrade the relevant technologies, thereby maintaining the advancement, forward-looking nature and scenario adaptability of its products.

The Group will strengthen the adaptation of AIDC high-rate lithium battery products to high-voltage direct current power supply, instantaneous power support and intelligent energy management scenarios, enhance the synergistic capabilities across battery cells, battery modules, BMS, system integration and operation and maintenance management, while concurrently increasing product integration, reducing on-site installation time and shortening the construction cycle of AIDC facilities. At the same time, the Group will promote the application of sodium-ion batteries in the AIDC sector and, leveraging its experience with lithium battery systems, develop DC/DC technology to achieve lithium-sodium synergy and an integrated dual-cell solution, so as to meet the application needs of the entire AIDC market. In addition, the Group will establish a power-system testing platform spanning all AIDC scenarios to fully map the operating envelope of battery systems under AI load fluctuations, and to explore deeper integration of high-rate power supply in AIDC applications.

In the field of new power energy storage, the Group will continue to enhance the safety, operational efficiency and full life-cycle management capabilities of large-capacity battery cells, liquid-cooled container energy storage systems and intelligent operation and maintenance platforms. In response to the challenge of continuously increasing energy storage duration, the Group will promote the application of power sources based on new battery systems in the field of power energy storage, achieving leapfrog development towards 100h energy storage.

The Group will also continue to advance the safety testing, international certification and overseas customer qualification of its existing products, ensuring that its products continue to comply with the international standards, regulatory requirements and customer technical specifications of major target markets. Through the coordinated advancement of research and development, certification, production capacity and market development, the Group will accelerate the conversion of its early-stage research and development investments into mature products, customer orders and commercial deliveries, and continue to build barriers in product technology and global market access.

Looking ahead, the Group will remain committed to implementing its “One Core, Two Wings” business strategy and proactively capture the opportunities arising from the rapid development of the global AIDC smart computing center and new power energy storage markets. The Group will focus on converting growing market demand and its expanding order backlog into sustained revenue growth and operating results. As new production capacity is progressively brought into operation, capacity utilisation continues to improve and the contribution of high value-added lithium battery products further increases, the Group expects to accelerate the realisation of economies of scale, thereby driving continuous improvement in its revenue structure, gross profit margin and the profitability of its principal businesses. At the same time, the Group will further strengthen its research and development capabilities, supply chain management, international certification and global delivery capabilities, while deepening its cooperation with leading domestic and overseas customers. The Group will accelerate the large-scale deployment and global commercialisation of its AIDC energy storage and intelligent energy management solutions, continuously transforming its technological expertise, products, manufacturing capacity and customer resources into sustainable growth drivers in order to consolidate and enhance its competitive position in the global AIDC smart computing center energy infrastructure sector, while driving its business scale, operating quality and corporate value to new heights.

OPERATING RESULTS AND ANALYSIS

Revenue

Revenue for the Reporting Period increased by 17.4% year-on-year to RMB2,636.8 million.

The following table sets forth the Group's revenue by product and application:

	Six months ended June 30		
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)	Year-on-year change
By product			
Sales of lithium-ion battery products	1,108,140	566,883	95.5%
Sales of lead-acid battery products	1,439,047	1,612,845	-10.8%
Others(2)	89,582	66,525	34.7%
Total	2,636,769	2,246,253	17.4%
By application scenario			
AIDC data center energy storage	1,385,333	1,028,000	34.8%
Telecom energy storage	571,832	968,304	-40.9%
Electrical energy storage (including household)	397,845	87,492	354.7%
Other application scenarios(1)	192,177	95,932	100.3%
Others(2)	89,582	66,525	34.7%
Total	2,636,769	2,246,253	17.4%

Notes:

(1) Mainly includes uninterruptible power supply batteries and start-stop batteries, etc.

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

For the Reporting Period, the revenue from the lithium-ion battery business increased by 95.5% year-on-year, primarily due to the significant revenue growth in lithium battery products relating to AIDC data centre energy storage and new power energy storage.

For the Reporting Period, revenue from the lead-acid battery business decreased by 10.8% year-on-year, primarily due to the decrease in business volume from the telecommunications industry.

Cost of sales

The Group's cost of sales increased by 20.2% from RMB1,910.5 million in the corresponding period of last year to RMB2,295.9 million for the Reporting Period, primarily due to the increase in overall costs resulting from the increase in product sales volume.

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:

	Six months ended June 30			
	2026		2025	
	Gross profit (RMB'000) (Unaudited)	Gross profit margin (%) (Unaudited)	Gross profit (RMB'000) (Unaudited)	Gross profit margin (%) (Unaudited)
Lithium-ion battery products	147,438	13.3	108,173	19.1
Lead-acid battery products	190,989	13.3	225,598	14.0
Others	2,480	2.8	1,966	3.0
Total	340,907	12.9	335,737	14.9

Gross profit increased from RMB335.7 million in the corresponding period of last year to RMB340.9 million for the Reporting Period.

The gross profit margin decreased from 14.9% in the corresponding period of last year to 12.9% for the Reporting Period. Although the Group recorded a year-on-year increase in revenue during the Reporting Period, the relatively significant increase in the cost of raw materials resulted in a decrease in the gross profit margin.

Selling and marketing expenses

Selling and marketing expenses increased from RMB65.9 million in the corresponding period of last year to RMB70.2 million for the Reporting Period. As a percentage of sales revenue, selling and marketing expenses decreased from 2.9% in the corresponding period of last year to 2.7%, mainly due to the Group's continued efforts to enhance the efficiency of its marketing activities.

Administrative expenses

Administrative expenses increased from RMB51.9 million in the corresponding period of last year to RMB58.7 million for the Reporting Period, mainly due to the Group's implementation of its overseas expansion strategy, resulting in an increase in overseas employees and overseas office premises.

Research and development expenses

Research and development expenses increased from RMB63.3 million in the same period of last year to RMB85.1 million for the Reporting Period, mainly due to the increased investment in the research and development of new technologies and product applications, including high-rate lithium batteries for AIDC, semi-solid-state batteries and sodium-ion batteries.

Other expenses

Other expenses increased from RMB12.3 million in the same period of last year to RMB88.5 million for the Reporting Period, mainly due to foreign exchange losses recorded by the Group during the Reporting Period and surcharges for prior year's tax payments.

Finance costs

Finance costs decreased from RMB14.4 million in the same period of last year to RMB14.1 million for the Reporting Period, mainly due to the decrease in the Group's overall financing interest rates during the Reporting Period.

Profit before tax

As a result of the above factors, the Group recorded a profit before tax of RMB35.1 million for the Reporting Period (six months ended 30 June 2025: RMB179.2 million).

Income tax expenses

Income tax expense increased from RMB18.6 million in the corresponding period of last year to RMB61.1 million for the Reporting Period, primarily due to the enterprise income tax for previous years recorded by the Group during the Reporting Period.

Loss/profit for the period

As a result of the above factors, the Group recorded a loss for the period of RMB26.0 million (six months ended 30 June 2025: profit of RMB160.6 million), of which the Group recorded a loss attributable to owners of the parent of RMB26.0 million (six months ended 30 June 2025: profit of RMB160.6 million).

Liquidity and financial resources

As at 30 June 2026, the Group's net current assets amounted to RMB2,115.3 million (31 December 2025: RMB2,268.2 million), of which cash and bank deposits amounted to RMB1,264.0 million (31 December 2025: RMB1,274.2 million). The Group's cash and bank deposits were denominated in RMB, US dollars, Hong Kong dollars and other currencies.

As at 30 June 2026, the Group had bank borrowings of RMB1,453.3 million (31 December 2025: RMB942.8 million), which were all interest-bearing and primarily at floating interest rates. Except for borrowings of RMB369.5 million which mature after one year, all bank borrowings of the Group are repayable within one year. The Group's borrowings were mainly denominated in RMB and with effective interest rates of the Group's borrowings ranging from 2.10% to 3.81% as of 30 June 2026 (31 December 2025: 2.10% to 3.67%).

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

Gearing ratio

As at 30 June 2026, the Group's gearing ratio was 55.0% (31 December 2025: 48.0%), which is calculated by dividing total liabilities 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.

During the Reporting Period, the Group did not enter into any currency hedging transactions.

Contingent liabilities

As at 30 June 2026, the Group did not have any material contingent liabilities (31 December 2025: 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.

Significant investments

As at 30 June 2026, 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.

Save as disclosed in the section titled "Future Outlook" above, the Group has no future plans for material investments or capital assets.

Use of proceeds from listing

The Shares of the Company was listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 26 August 2025 and the net proceeds raised during the IPO amounted to approximately HK$886.09 million. There was no change in the intended use of net proceeds as previously disclosed in the Company's prospectus dated 18 August 2025 (the "Prospectus"). As at 30 June 2026, the Group had utilised the proceeds as set out in the table below:

	Percentage %	Actual allocated net proceeds from the IPO (HK$ in millions)	Utilization since the Listing and up to 31 December 2025 (HK$ in millions)	Utilization during the Reporting Period (HK$ in millions)	Unutilized amount as at 30 June 2026 (HK$ in millions)	Expected timetable for the fully utilizing of unutilized proceeds[1]
Construction of a lithium-ion batteries production facility in Southeast Asia (construction costs of the main production plant(s) and ancillary infrastructures, purchase and installation of production equipment and software, recruitment of employees, and trial productions and other early-stage expenses)	40.0	354.44	–	–	354.44	By December 2027
Establishment of a new research and development center (construction of the R&D center, acquisition of equipment and software, recruitment of R&D staff, and execution of research projects)	35.0	310.13	–	–	310.13	By December 2027
Strengthen the overseas sales and marketing (rent for overseas offices, recruitment of sales and marketing staff, and promotional activities)	15.0	132.91	–	–	132.91	By December 2027
Provide funding for working capital and other general corporate purposes	10.0	88.61	–	68.71	19.90	By December 2027
Total	100.0	886.09	–	68.71	817.38	

Note:

1. The expected timeline for the utilization of unutilized net proceeds set out in the table above represents the Group's best estimates based on the anticipated market conditions, which may be subject to change in response to current and future market developments.

The Company has placed the unutilized net proceeds in short-term interest-bearing accounts of licensed commercial banks or other authorised financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). The Company will comply with the laws of China in relation to foreign exchange registration and remittance of the proceeds.

For further details, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus.

Interim dividend

The Board does not recommend the payment of an interim dividend for the Reporting Period.

Corporate Governance and Other Information

Employees

As of 30 June 2026, the Group had 2,379 employees. During the Reporting Period, employee benefit expenses (including Directors' remuneration), consisting of salaries and wages, bonuses, equity-settled share option expenses and pension scheme contributions, totalled RMB167.2 million (for the six months ended 30 June 2025: RMB172.3 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.

SHARE OPTION SCHEME

On 2 June 2026, the Company adopted a post-IPO share option scheme (the "Share Option Scheme") in accordance with the provision of Chapter 17 of the Listing Rules.

Number of Options Available for Grant

Each option granted under the Share option Scheme (each an "Option") shall entitle the grantee to subscribe for one H Share. The number of Options available for grant under the Share Option Scheme as at 2 June 2026 (being the date of adoption of the Share Option Scheme) and the end of the Reporting Period were 42,560,950 and 42,560,950, respectively.

Movements of Options during the Reporting Period

No Option was granted under the Share Option Scheme during the period from 2 June 2026 (being the date of adoption of the Share Option Scheme) to the end of the Reporting Period. There are no outstanding Options as at 2 June 2026 (being the date of adoption of the Share Option Scheme) and the end of the Reporting Period respectively.

Shares Issuable Percentage

No options or awards were granted, exercised, vested, cancelled or lapsed under any share scheme of the Company during the Reporting Period. The number of Shares that may be issued in respect of options and awards granted under all share schemes of the Company during the Reporting Period divided by the weighted average number of Shares for the Reporting Period (excluding treasury shares) was 0%.

CORPORATE GOVERNANCE PRACTICES

(Paragraph 44(1) of Appendix D2 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 C1 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

During the Reporting Period, 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, three non-executive director and three independent non-executive directors. Therefore, the Board has strong independence in its composition.

MODEL CODE FOR SECURITIES TRANSACTIONS

(Paragraph 44(2) of Appendix D2 to the Listing Rules)

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") as set out in Appendix C3 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 during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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 2026. 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.

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

As at 30 June 2026, 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 at 30 June 2026, 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 Share (1)	Approximate percentage of shareholding in the total share capital of our Company (2)	Long position/ short position/ lending pool
Shuangdeng Investment(2)	Beneficial owner	Unlisted Shares H Shares	83,000,000 26,590,000	100.00 7.76	25.75	Long position
Taizhou Heying(2)	Beneficial owner	H Shares	19,000,000	5.55	4.46	Long position
Taizhou Hechuang(2)	Interest in controlled corporations	H Shares	32,600,000	9.52	7.66	Long position
Taizhou Hanfu	Interest in controlled corporations	H Shares	32,600,000	9.52	7.66	Long position
Mr. Yang Shanji (楊善基) (2)	Beneficial owner Interest in controlled corporations	H Shares Unlisted Shares H Shares	138,310,000 83,000,000 59,190,000	40.37 100.00 17.28	65.91	Long position
Ms. Qian Wuzhen (錢五珍) (2)	Interest of spouse	Unlisted Shares H Shares	83,000,000 197,500,000	100.00 57.65	65.91	Long position
Zaoyang Fund(3)	Beneficial owner	H Shares	22,000,000	6.42	5.16	Long position
Hubei Gaotou Huimeng Entrepreneurship Investment Management Co., Ltd. (湖北高投匯盟創業投資管理有限公司) ("**Hubei Gaotou**")(3)	Interest in controlled corporations	H Shares	22,000,000	6.42	5.16	Long position
Hubei Provincial HIGH Technology Industry Investment Co., Ltd. (湖北省高新產業投資集團有限公司) ("**Hubei Technology**")(3)	Interest in controlled corporations	H Shares	22,000,000	6.42	5.16	Long position

Notes:

(1) As at 30 June 2026, the Company had issued a total of 425,609,500 Shares. The calculation is based on the total number of 83,000,000 Unlisted Shares and 342,609,500 H Shares in issue.

(2) Ms. Qian Wuzhen is the spouse of Mr. Yang Shanji. As at 30 June 2026, (i) Shuangdeng Investment is owned as to 80% and 20% by Mr. Yang Shanji and Ms. Qian Wuzhen 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 through the interest of her spouse.

(3) As at 30 June 2026, 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 30 June 2026, 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 interim report, the Board 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), Ms. Hu Shuxuan (胡舒璇) and Mr. Lou Zhiqiang (樓志強) 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 2026

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
REVENUE	4	2,636,769	2,246,253
Cost of sales		(2,295,862)	(1,910,516)
Gross profit		340,907	335,737
Other income and gains		37,605	54,045
Selling and marketing expenses		(70,197)	(65,872)
Administrative expenses		(58,745)	(51,921)
Research and development costs		(85,141)	(63,299)
Impairment losses on financial and contract assets, net		(26,247)	(2,440)
Other expenses		(88,515)	(12,272)
Finance costs		(14,134)	(14,448)
Share of profits and losses of associates		(465)	(316)
PROFIT BEFORE TAX	5	35,068	179,214
Income tax expense	6	(61,062)	(18,581)
(LOSS)/PROFIT FOR THE PERIOD		(25,994)	160,633
Attributable to:			
Owners of the parent		(25,994)	160,633
Non-controlling interests		–	–
		(25,994)	160,633
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	8		
Basic and diluted:			
– For (loss)/profit for the period (RMB)		(0.06)	0.45

Interim Condensed Consolidated Statement Of Comprehensive Income

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
(LOSS)/PROFIT FOR THE PERIOD	(25,994)	160,633
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	354	547
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	354	547
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	354	547
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	(25,640)	161,180
Attributable to:		
Owners of the parent	(25,640)	161,180
Non-controlling interests	–	–
	(25,640)	161,180

Interim Condensed Consolidated Statement of Financial Position

30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	1,288,200	1,144,502
Right-of-use assets		219,044	191,082
Other intangible assets		6,088	7,582
Investments in associates		16,300	16,765
Prepayments, other receivables and other assets		1,817	1,376
Financial assets at fair value through profit or loss		144,050	94,050
Contract assets		22,686	13,093
Deferred tax assets		72,537	65,124
Restricted cash		23,656	37,038
Total non-current assets		1,794,378	1,570,612
CURRENT ASSETS			
Inventories		1,275,523	784,967
Trade and bills receivables	10	2,736,422	2,617,171
Contract assets		7,966	5,087
Prepayments, other receivables and other assets		184,433	146,502
Financial assets at fair value through profit or loss		-	-
Derivative financial instruments		-	43
Due from a related party	14	588	617
Debt investments at fair value through other comprehensive income		31,646	22,534
Restricted cash		187,256	172,307
Cash and cash equivalents		1,264,004	1,274,234
Total current assets		5,687,838	5,023,462
CURRENT LIABILITIES			
Trade and bills payables	11	1,800,145	1,413,685
Other payables and accruals		534,115	480,964
Derivative financial instruments		712	-
Contract liabilities		102,612	82,496
Interest-bearing bank and other borrowings		1,083,812	730,188
Deferred government grants		21,810	21,876
Lease liabilities		9,605	10,447
Tax payable		2,665	3,583
Due to related parties	14	9,462	3,523
Provisions		7,564	8,486
Total current liabilities		3,572,502	2,755,248
NET CURRENT ASSETS		2,115,336	2,268,214
TOTAL ASSETS LESS CURRENT LIABILITIES		3,909,714	3,838,826

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

30 June 2026

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	369,485	212,643
Deferred government grants	136,022	146,878
Lease liabilities	8,215	11,531
Provisions	32,709	35,866
Total non-current liabilities	546,431	406,918
Net assets	3,363,283	3,431,908
EQUITY		
Equity attributable to owners of the parent		
Share capital	425,610	425,610
Reserves	2,937,673	3,006,298
Total equity	3,363,283	3,431,908

Interim Condensed Consolidated Statement of Changes In Equity

For the six months ended 30 June 2026

	Attributable to owners of the parent						
	Share capital RMB'000	Capital reserve* RMB'000	Share-based compensation reserve* RMB'000	Reserve funds* RMB'000	Exchange fluctuation reserve* RMB'000	Retained profits* RMB'000	Total equity RMB'000
At 31 December 2025 (audited)	425,610	1,186,158	89,652	207,619	(622)	1,523,491	3,431,908
Loss for the period (unaudited)	–	–	–	–	–	(25,994)	(25,994)
Other comprehensive income for the period (unaudited):							
Exchange differences on translation of foreign operations (unaudited)	–	–	–	–	354	–	354
Total comprehensive loss for the period (unaudited)	–	–	–	–	354	(25,994)	(25,640)
Share incentive plan expense (unaudited)	–	–	8,088	–	–	–	8,088
Dividend (unaudited)	–	–	–	–	–	(51,073)	(51,073)
At 30 June 2026 (unaudited)	425,610	1,186,158	97,740	207,619	(268)	1,446,424	3,363,283

	Attributable to owners of the parent						
	Share capital RMB'000	Capital reserve* RMB'000	Share-based compensation reserve* RMB'000	Reserve funds* RMB'000	Exchange fluctuation reserve* RMB'000	Retained profits* RMB'000	Total equity RMB'000
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 incentive plan expense (unaudited)	–	–	8,952	–	–	–	8,952
Dividend (unaudited)	–	–	–	–	–	(60,906)	(60,906)
At 30 June 2025 (unaudited)	358,269	420,692	81,528	186,522	(21)	1,449,697	2,496,687

* These reserve accounts comprise the reserves of RMB2,937,673,000 (31 December 2025: RMB3,006,298,000) in the consolidated statement of financial position as at 30 June 2026.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	35,068	179,214
Adjustments for:		
Finance costs	14,134	14,448
Share of profits and losses of associates	465	316
Interest income	(16,779)	(8,052)
Loss on disposal of items of property, plant and equipment	614	309
Gain on disposal of right-of-use assets	–	(22)
Gain on financial assets at fair value through profit or loss	–	(914)
Loss/(gain) on derivative financial instruments	1,066	(539)
Depreciation of items of property, plant and equipment	78,323	76,623
Depreciation of right-of-use assets	7,997	7,847
Amortisation of other intangible assets	1,513	1,535
Amortisation of deferred government grants	(11,222)	(10,545)
Provision for trade and bills receivables and contract assets, net	12,574	384
Provision for prepayments, other receivables and other assets, net	13,673	2,056
Impairment/(reversal of impairment) of inventories	4,691	(5,404)
Foreign exchange differences, net	56,408	(2,062)
Share incentive plan expense	8,088	8,952
	206,613	264,146
Increase in trade and bills receivables and contract assets	(204,482)	(65,710)
Increase in prepayments, other receivables and other assets	(39,689)	(46,955)
Decrease/(Increase) in an amount due from a related party	29	(871)
Increase in amounts due to related parties	6,199	6,520
Increase in inventories	(495,247)	(362,406)
Increase in trade and bills payables	910,197	721,174
Decrease in other payables and accruals	(19,148)	(54,506)
Decrease in provision	(4,079)	(582)
Increase in contract liabilities	20,116	47,221
(Increase)/decrease in restricted cash	(1,567)	31,163
Cash flows generated from operating activities	378,942	539,194
Interest received	16,779	8,052
Income taxes paid	(82,060)	(40,442)
Net cash flows generated from operating activities	313,661	506,804

Interim Condensed Consolidated Statement of Cash Flows (Continued)

For the six months ended 30 June 2026

	Note	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(202,429)	(144,675)
Proceeds from disposal of items of property, plant and equipment		281	1,065
Purchase of right-of-use assets		(33,634)	–
Purchase of other intangible assets		(19)	(900)
Receipt of government grants for property, plant and equipment		300	4,000
Purchase of items of financial assets at fair value through profit or loss		(50,000)	–
Proceeds from disposal of items of derivative financial instruments		–	2,322
Proceeds from disposal of financial assets at fair value through profit or loss		–	86,914
Net cash flows used in investing activities		(285,501)	(51,274)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		816,961	178,558
Repayment of bank loans		(776,747)	(342,161)
Dividends paid	7	–	(60,906)
Interest paid		(13,775)	(14,182)
Payment of listing expenses		–	(714)
Principal portion of lease payments		(6,478)	(7,098)
Interest paid for lease payments		(359)	(266)
Net cash flows generated from/(used in) financing activities		19,602	(246,769)
NET INCREASE IN CASH AND CASH EQUIVALENTS		47,762	208,761
Cash and cash equivalents at beginning of period		1,274,234	395,234
Effect of foreign exchange rate changes, net		(57,992)	1,739
CASH AND CASH EQUIVALENTS AT END OF PERIOD		1,264,004	605,734
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		1,264,004	605,734
Cash and cash equivalents as stated in the statements of financial position		1,264,004	605,734
Cash and cash equivalents included in assets of a disposal group classified as held for sale		–	–
Cash and cash equivalents as stated in the statements of cash flows		1,264,004	605,734

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

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. On 26 August 2025, the company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the Stock Exchange"). 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.

2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 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 annual consolidated financial statements for the year ended 31 December 2025.

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 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

The nature and impact of the amended IFRS Accounting Standards are described below:

(a) Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2026

2.2 Changes in accounting policies and disclosures *(Continued)*

The nature and impact of the amended IFRS Accounting Standards are described below: *(Continued)*

(b) Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) *Annual Improvements to IFRS Accounting Standards* – Volume 11 set out narrow scope amendments to IFRS 1, IFRS 7 (and the accompanying Guidance on implementing IFRS 7), IFRS 9, IFRS 10 and IAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding IFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

3. Operating segment information

Geographical information

(a) *Revenue from external customers*

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Chinese mainland	2,165,382	1,845,680
Overseas	471,387	400,573
Total revenue	2,636,769	2,246,253

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

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2026

3. Operating segment information *(Continued)*

Geographical information (Continued)

(b) Non-current assets

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Chinese mainland	1,474,520	1,341,457
Overseas	55,112	18,474
Total non-current assets	1,529,632	1,359,931

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

Information about major customers

Revenue from a single customer, including a group of entities which are known to be under common control, accounting for over 10% of the Group's total revenue during the six months ended 30 June 2025 and 2026 are as follows:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Customer A	N/A	231,434

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2026

4. Revenue

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**2,636,769**	2,246,253

Revenue from contracts with customers

(i) *Disaggregated revenue information*

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Types of goods		
Sales of lithium-Ion battery products	**1,108,140**	566,883
Sales of lead-acid battery products	**1,439,047**	1,612,845
Others *(a)*	**89,582**	66,525
Total	**2,636,769**	2,246,253
Timing of revenue recognition		
Goods transferred at a point in time	**2,636,769**	2,246,253

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

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2026

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 2025 and 2026 that were included in the contract liabilities at the beginning of each of the reporting period and recognised from performance obligations satisfied in previous years:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Sale of goods	82,262	39,640

(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 other products by the customers and payment is generally due within 30 to 120 days from delivery.

The amount 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 2025 and 2026 are as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Amounts expected to be recognised as revenue:		
Within one year	102,612	86,861

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2026

5. Profit before tax

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

	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Cost of inventories sold	2,295,862	1,910,516
Depreciation of property, plant and equipment	78,323	76,623
Depreciation of right-of-use assets	7,997	7,847
Amortisation of other intangible assets	1,513	1,535
Research and development costs*	50,371	26,653
Lease payments not included in the measurement of lease liabilities	1,750	2,933
Auditor's remuneration	1,431	192
Listing expenses	-	2,126
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages and salaries	144,318	146,447
Pension scheme contributions	15,876	16,110
Share incentive plan expense	4,586	4,634
Foreign exchange differences, net	56,408	(2,062)
Impairment losses on financial and contract assets, net:		
Impairment of trade and bills receivables, net	8,386	841
Impairment of contract assets, net	4,188	(457)
Impairment of financial assets included in prepayments, other receivables and other assets	13,673	2,056
Provision for product warranty	29,792	21,043
Write-down/(reversal of write-down) of inventories to net realisable value	4,691	(5,404)

* Research and development costs do not include expenses relating to employee benefit expense, 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 operated.

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 renewed as a High and New Technology Enterprise in 2025 and is entitled to a preferential tax rate of 15% (six months ended 30 June 2025: 15%). This qualification is subject to review by the relevant tax authority in the PRC for every three years.

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2026

6. Income tax *(Continued)*

Jiangsu Shuangdeng Front New Energy Co., Ltd. was renewed as a High and New Technology Enterprise in 2024 and is entitled to a preferential tax rate of 15% (six months ended 30 June 2025: 15%). This qualification is subject to review by the relevant tax authority in the PRC for every three years.

Hubei Shuangdeng Runyoung New Energy Co., Ltd. was renewed as a High and New Technology Enterprise in 2025 and is entitled to a preferential tax rate of 15% (six months ended 30 June 2025: 15%). This qualification is subject to review by the relevant tax authority in the PRC for every three years.

Beijing Shuangdeng Huifeng Juneng Technology Co., Ltd. was qualified as a High and New Technology Enterprise in 2024, qualified as Micro and Small Enterprise pursuant to the PRC tax regulations for the six months ended 30 June 2026 and is entitled to a preferential tax rate of 5% (six months ended 30 June 2025: 15%). The qualification of High and New Technology Enterprise is subject to review by the relevant tax authority in the PRC for every three years.

Hubei Shuangdeng Energy Storage Technology Co., Ltd. was qualified as a High and New Technology Enterprise in 2025 and is entitled to a preferential tax rate of 15%. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

Shuangdeng Energy Storage Technology (Xuyi) Co., Ltd. was qualified as Micro and Small Enterprise pursuant to the PRC tax regulations and is entitled to preferential tax rates of 5% for the six months ended 30 June 2026.

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current income tax – Chinese mainland	67,907	19,494
Current income tax – Overseas	568	258
Deferred income tax	(7,413)	(1,171)
Income tax charge for the period	61,062	18,581

7. Dividends

The Board of directors resolved not to recommend the payment of any dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2026

8. (Loss)/earnings per share attributable to ordinary equity holders of the parent

The basic (loss)/earnings per share is calculated based on the (loss)/profit attributable to the owners of the parent and the weighted average number of ordinary shares outstanding during the period. The Group had no potentially dilutive ordinary shares in issue during the period.

The calculations of basic and diluted (loss)/earnings per share are based on:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
(Loss)/earnings		
(Loss)/profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	(25,994)	160,633
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic and diluted earnings per share calculations	425,609,500	358,269,000

9. Property, plant and equipment

As at 30 June 2026 and 31 December 2025, certain of the Group's property, plant and equipment with a net carrying amount of approximately RMB298,419,000 and RMB315,345,000, respectively, were pledged to secure certain interest-bearing bank and other borrowings of the Group.

During the six months ended 30 June 2026, the Group acquired assets at a cost of RMB223,395,000 (30 June 2025: RMB45,432,000).

Assets (other than those classified as held for sale) with a net book value of RMB895,000 were disposed of by the Group during the six months ended 30 June 2026 (30 June 2025: RMB1,374,000), resulting in a net loss on disposal of RMB614,000 (30 June 2025: RMB309,000).

10. Trade and bills receivables

An ageing analysis of the Group's trade and bills receivables, based on the revenue recognition date and net of loss allowance, at the end of the reporting period is as follows:

	30 June 2026	31 December 2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Within 6 months	2,208,196	2,163,357
7 to 12 months	363,158	331,919
1 to 2 years	152,687	108,500
2 to 3 years	12,115	13,292
3 to 4 years	266	103
Total	2,736,422	2,617,171

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2026

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 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 year	1,800,145	1,413,685

12. Commitments

The Group had the following contractual commitments at the end of the reporting period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Contracted, but not provided for:		
Purchase of items of property, plant and equipment	261,124	50,784

13. Contingent liabilities

As at 30 June 2026, 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 Cable Co., Ltd. ("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 ("江蘇雙登集團有限公司")	Company controlled by Mr. Yang Shanji
Jiangsu Weili Energy Materials Co., Ltd. ("江蘇維鋰新能源材料有限公司")	Company controlled by Mr. Yang Shanji's nephew
Shuangdeng Tianpeng Metallurgical Jiangsu Co., Ltd. ("雙登天鵬冶金江蘇有限公司")	Associate of the Company

* The English names of these companies registered in the PRC represent the translated names of these companies as no English names have been registered.

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

30 June 2026

14 Related party transactions *(Continued)*

(b) The Group had the following material related party transactions during the period:

	Notes	For the six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Sales of goods to:			
Shuangdeng Tianpeng Metallurgical Jiangsu Co., Ltd.	(i)	**21,589**	14,521
Jiangsu Weili Energy Materials Co., Ltd.		**–**	299
Total		**21,589**	14,820
Purchases of products/services from:			
Jiangsu Fushanda New Energy Technology Co., Ltd.	(i)	**12,385**	17,508
Shuangdeng Cable Co., Ltd.	(i)	**316**	1,024
Jiangsu Weili Energy Materials Co., Ltd.		**–**	565
Total		**12,701**	19,097
Rental expenses to:			
Jiangsu Shuangdeng Group Limited	(ii)	**4,086**	3,051

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 RMB4,086,000 for the six months ended 30 June 2026. The Group recognised right-of-use assets of RMB9,527,000 and lease liabilities of RMB8,046,000 as at 30 June 2026. The transactions were made according to the prices and terms agreed with the related parties.

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2026

14 Related party transactions *(Continued)*

(c) *Outstanding balance with a related party:*

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade related:		
Due to related parties:		
Jiangsu Fushanda New Energy Technology Co., Ltd.	7,686	2,803
Shuangdeng Cable Co., Ltd.	160	440
Shuangdeng Tianpeng Metallurgical Jiangsu Co., Ltd.	104	180
Jiangsu Weili Energy Materials Co., Ltd.	100	100
Total	8,050	3,523
Trade related:		
Due from a related party:		
Jiangsu Weili Energy Materials Co., Ltd.	588	617
Rental related:		
Due to a related party:		
Jiangsu Weili Energy Materials Co., Ltd.	1,412	-

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

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Salaries, allowances and benefits in kind	2,698	2,688
Performance related bonuses	-	2,872
Share incentive plan expense	3,502	4,451
Total	6,200	10,011

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2026

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, amounts 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 each reporting date, 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 30 June 2026 were assessed to be insignificant.

The Group invests in unlisted investments, which represent wealth management products issued by banks in the Chinese mainland. 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 Group enters into derivative financial instruments with various counterparties, principally financial institutions with AAA credit ratings. Derivative financial instruments, including foreign currency swaps, are measured using valuation techniques similar to swap models, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates. The carrying amounts of foreign currency swaps are the same as their fair values.

The fair values of unlisted equity investments which had recent history of share transactions are based on observable market transaction prices.

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.

Notes to Interim Condensed Consolidated Financial Information (Continued)
30 June 2026

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 2026	Fair value measurement using: Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Debt investments at fair value through other comprehensive income	–	31,646	–	31,646
Financial assets at fair value through profit or loss	–	144,050	–	144,050
Total	–	175,696	–	175,696

As at 31 December 2025	Fair value measurement using: Quoted prices in active markets (Level 1) RMB'000 (Audited)	Significant observable inputs (Level 2) RMB'000 (Audited)	Significant unobservable inputs (Level 3) RMB'000 (Audited)	Total RMB'000 (Audited)
Debt investments at fair value through other comprehensive income	–	22,534	–	22,534
Financial assets at fair value through profit or loss	–	94,050	–	94,050
Derivative financial instruments	–	43	–	43
Total	–	116,627	–	116,627

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2026

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

Fair value hierarchy (Continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments. (continued)

Liabilities measured at fair value:

As at 30 June 2026	Fair value measurement using Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Derivative financial instruments	–	712	–	712

The Group did not have any financial liabilities measured at fair value as at 31 December 2025.

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 2025: Nil).

16. Events after the reporting period

There is no material subsequent event undertaken by the Group after 30 June 2026.

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"	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 the 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
"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
"Reporting period"	the period from 1 January 2026 to 30 June 2026
"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)
"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
"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 Li_2CO_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 $LiFePO_4$, synthesized mainly by lithium carbonate and iron phosphate
"Sodium-ion batteries"	a rechargeable battery, which use sodium ions (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
"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.