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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01250)

CONTINUING CONNECTED TRANSACTION RELATING TO THE ELECTRICITY SALES AGREEMENT

ELECTRICITY SALES AGREEMENT

The Board announces that on 7 May 2025 (after trading hours), Qingdao Shanhui Clean, being a direct wholly-owned subsidiary of the Company, and Shandong Luqiao Qingdao Construction entered into the Electricity Sales Agreement in respect of the Sales of Electricity.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, as (i) SDHS Group, being an indirect controlling Shareholder of the Company, through various entities owns an aggregate of approximately 60.66% of the issued shares capital of the Company; and (ii) Shandong Luqiao Qingdao Construction is a 60% indirect non-wholly owned subsidiary of SDHS Road&Bridge Group, which is in turn directly and indirectly held as to approximately 56.74% by SDHS Group, Shandong Luqiao Qingdao Construction is therefore regarded as an associate of SDHS Group and a connected person of the Company under Chapter 14A of the Listing Rules. As such, the Sales of Electricity under the Electricity Sales Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

Prior to the Electricity Sales Agreement, the Group entered into the Previous Agreements with various subsidiaries of SDHS Group in relation to the sales of electricity generated by distributed photovoltaic power stations of the Group in relevant designated areas. Particularly, the term of the Previous Agreement A is from 14 November 2022 to 13 November 2025, the term of the Previous Agreement B is from 24 April 2023 to 31 December 2025 and the term of the Previous Agreement C is from 1 November 2023 to 31 October 2026.

Pursuant to Rules 14A.81 to 14A.83 of the Listing Rules, a series of connected transactions will be aggregated and treated as if they were one transaction if they were all entered into or completed within a 12-month period or were otherwise related. As a result of (i) the overlap of duration of the Previous Agreements and the Electricity Sales Agreement; (ii) SDHS Service Development (being the counterparty under the Previous Agreement A), SDHS Yunnan (being the counterparty under the Previous Agreement B), Qilu Expressway Assembly (being the counterparty under the Previous Agreement C) and Shandong Luqiao Qingdao Construction (being the counterparty under the Electricity Sales Agreement) are all subsidiaries of SDHS Group, and hence regarded as associates of the same connected person of the Company; and (iii) the nature of the transactions and the principal terms of the Previous Agreements and the Electricity Sales Agreement are almost identical, the transactions under the Electricity Sales Agreement and the Previous Agreements should be aggregated under Rules 14A.81 to 14A.83 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Aggregated Annual Caps of the Sales of Electricity under the Electricity Sales Agreement and the transactions under the Previous Agreements conducted by the Group are more than 0.1% but all of which are less than 5%, the Sales of Electricity under the Electricity Sales Agreement is subject to the reporting, announcement and annual review requirements but is exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules for the Company.

ELECTRICITY SALES AGREEMENT

On 7 May 2025 (after trading hours), Qingdao Shanhui Clean, being direct wholly-owned subsidiary of the Company, and Shandong Luqiao Qingdao Construction entered into the Electricity Sales Agreement in respect of the Sales of Electricity. Details of the Electricity Sales Agreement are set out below:

Purchaser	:	Shandong Luqiao Qingdao Construction
Supplier	:	Qingdao Shanhui Clean
Subject Matter	:	The Sales of Electricity to be generated by the Photovoltaic Power Stations in Designated Areas of the Production Plant to Shandong Luqiao Qingdao Construction
Term	:	For a term of three years commencing from 7 May 2025 and expiring on 6 May 2028. Subject to compliance with the requirements of the applicable laws and regulations (including but not limited to the Listing Rules), the Electricity Sales Agreement can be renewed for a period of three years or shorter upon mutual agreement of the parties, and the duration of the Sales of Electricity shall be up to twenty-five years.
Pricing Policy for the Electricity Fee	:	Electricity will be supplied at a price calculated by multiplying the relevant volume of electricity usage with the price per kWh (as adjusted from time to time) prescribed by State Grid Shandong Electric Power Company and with a discount rate of 20%. It is common in the PRC market that power stations offer discounts to customers. When determining the discount rate for Electricity Fee to be provided to Shandong Luqiao Qingdao Construction, Qingdao Shanhui Clean has considered (a) the discount rates provided to customers by other

market participants on the current market (through (i) communication with other market participants and industry peers, and (ii) publicly disclosed information) and (b) the discount rates provided by the Group to customers in similar transactions in the past, to ensure that Electricity Fee is fair and reasonable, no less favourable than the discount rates provided to independent third parties, and consistent with the pricing policy of the Group.

Payment Term : All Electricity Fee payments from Shandong Luqiao Qingdao Construction will be settled on a monthly basis.

PREVIOUS AGREEMENTS AND HISTORICAL TRANSACTION AMOUNTS

Certain associates of SDHS Group, being an indirect controlling Shareholder of the Company, and the Group had entered into the Previous Agreements in order to support the Group to participate in the investment and construction of photovoltaic power stations and development of its clean energy business.

Details of the Previous Agreements are set out below:

- (i) on 14 November 2022, JNHS New Energy Technology (being an indirect non-wholly-owned subsidiary of the Company) and SDHS Service Development (being a wholly-owned subsidiary of SDHS Group) entered into the Previous Agreement A, in relation to the sales of electricity generated by distributed photovoltaic power stations of the Group in Designated Area A with a term from 14 November 2022 to 13 November 2025;
- (ii) on 24 April 2023, the Company and SDHS Yunnan (being a wholly-owned subsidiary of SDHS Group) entered into the Previous Agreement B, in relation to the sales of electricity generated by distributed photovoltaic power stations of the Group in Designated Area B with a term from 24 April 2023 to 31 December 2025; and
- (iii) on 1 November 2023, SHNE Pingyin (being an indirect non-wholly-owned subsidiary of the Company) and Qilu Expressway Assembly (being a non-wholly-owned subsidiary of SDHS Group) entered into the Previous Agreement C, in relation to the sales of electricity generated by the photovoltaic power stations of the Group in Designated Area C with a term from 1 November 2023 to 31 October 2026.

As each of SDHS Service Development, SDHS Yunnan and Qilu Expressway Assembly is a subsidiary of SDHS Group, each of them is an associate of SDHS Group, and therefore a connected person of the Company. The transactions contemplated under the Previous Agreement A, the Previous Agreement B and the Previous Agreement C constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules. The nature of transaction and the key terms of the Previous Agreement A, the Previous Agreement B and the Previous Agreement C are almost identical to those of the Electricity Sales Agreement.

The aggregated historical transaction amounts and annual caps under the Previous Agreements are set out below:

(i) Aggregated historical transaction amounts

	For the financial year ended 31 December	
	2023	2024
	<i>(RMB)</i>	<i>(RMB)</i>
Electricity fee received by the Group	0	585,762.93

(ii) Aggregated annual caps under the Previous Agreements

	For the financial year ending 31 December 2025	For the period from 1 January 2026 to 31 October 2026
	<i>(RMB)</i>	<i>(RMB)</i>
Electricity fee receivable by the Group	4,006,352.88	1,468,294.40

For further details of the Previous Agreements, please refer to the joint announcement of the Company and SDHG dated 1 November 2023.

ANNUAL CAPS AND BASIS OF DETERMINATION

The Directors are of the opinion that the Annual Caps of the total amount of the Sales of Electricity for the three years ending 31 December 2027 and for the period from 1 January 2028 to 6 May 2028 will not exceed the corresponding amounts as follows:

	For the financial year ending 31 December			For the period from 1 January 2028 to 6 May 2028
	2025	2026	2027	2028
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Electricity Fee receivable by Qingdao Shanhui Clean	177,279	353,126	351,694	87,565

In determining the Annual Caps, the Directors have taken into account (i) the historical transaction amounts under the Previous Agreements; (ii) the projected electricity demand of Shandong Luqiao Qingdao Construction during the term of the Electricity Sales Agreement based on its historical electricity consumption; and (iii) the 10% additional electricity consumption arising from weather or other uncontrollable factors estimated for each year during the term of the Electricity Sales Agreement.

AGGREGATED ANNUAL CAPS

The Aggregated Annual Caps for the estimated electricity fee receivable by the Group under the Electricity Sales Agreement and the Previous Agreements for the three years ending 31 December 2027 and for the period from 1 January 2028 to 6 May 2028 are approximately RMB4,183,631.88, RMB1,821,420.40, RMB351,694.00 and RMB87,565, respectively.

APPROVAL BY THE BOARD

None of the Directors has any material interest in the Electricity Sales Agreement and the transactions contemplated thereunder and no Director is required to abstain from voting on the relevant board resolutions. However, to avoid any potential conflict of interest, Mr. Li Tianzhang, Mr. Zhu Jianbiao, Mr. Wang Wenbo, Mr. Liu Zhijie and Ms. Liao Jianrong had voluntarily abstained from voting on the resolutions of the Board approving the Electricity Sales Agreement and the transactions contemplated thereunder.

Save as disclosed above, no other Director had abstained from voting on the board resolution(s) at relevant board meetings approving the Electricity Sales Agreement and the transactions contemplated thereunder.

REASONS FOR AND BENEFITS OF ENTERING INTO THE ELECTRICITY SALES AGREEMENT

Pursuant to the terms of the Electricity Sales Agreement, Shandong Luqiao Qingdao Construction will provide the Designated Areas of the Production Plant, including the building's roof and part of the ground site of the production plant, for the investment, construction and operation of the Photovoltaic Power Stations owned by Qingdao Shanhui Clean. Having considered the potential and stability of the business operation and management of Shandong Luqiao Qingdao Construction, the Directors consider that the entering into of the Electricity Sales Agreement allows the Group to expand collaboration with a reliable customer and generate stable operating income and cash flow for the Group, thereby facilitating the steady development of the Group's clean energy businesses.

The Board (including its independent non-executive Directors) is of the view that (a) the transaction contemplated under the Electricity Sales Agreement is conducted after arm's length negotiation and in the ordinary and usual course of business of the Company, on normal commercial terms or better, and the terms of which are fair and reasonable and in the interests of each of the Company and its Shareholders as a whole; and (b) the proposed Annual Caps for the Sales of Electricity under the Electricity Sales Agreement are fair and reasonable and are in the interests of each of the Company and its Shareholders as a whole.

INTERNAL CONTROL FOR THE CONTINUING CONNECTED TRANSACTION CONTEMPLATED UNDER THE ELECTRICITY SALES AGREEMENT

The Group adopts the following internal control methods and procedures in order to ensure the compliance with the Listing Rules requirements with respect to the supervision and monitoring of the Annual Caps:

- (1) the relevant personnel of the business department of the Company will conduct regular checks to review and assess whether the transaction contemplated under the Electricity Sales Agreement is conducted in accordance with the terms thereunder and will also regularly update and make reference to the relevant government prescribed price for the purpose of considering if the price charged for a specific transaction is fair and reasonable and in accordance with the aforesaid pricing policy;
- (2) the Company will closely monitor the transacted amounts of the transaction contemplated under the Electricity Sales Agreement to ensure that the Annual Caps will not be exceeded;
- (3) the staff of the business department of the Company will from time to time gather market intelligence by way of research and investigation to determine the reference electricity price in the market and such price as provided by the relevant government authorities;
- (4) the external auditors of the Company will conduct an annual review on the fees and the Annual Caps of the transaction contemplated under the Electricity Sales Agreement; and
- (5) the independent non-executive Directors will review the transactions contemplated under the continuing connected transactions of the Company pursuant to Rule 14A.55 of the Listing Rules, and confirm in the annual report whether the transactions have been conducted in the ordinary and usual course of business of the Group; on normal commercial terms or better; and according to the agreement governing the transactions on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE PARTIES

The Company and the Group

The Company is a company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of the Stock Exchange (Stock Code: 01250). The principal activity of the Company is investment holding. The Group is principally engaged in the investment, development, construction, operation and management of photovoltaic power businesses, wind power businesses and clean heat supply businesses in the PRC.

Qingdao Shanhui Clean

As at date of this announcement, Qingdao Shanhui Clean is a direct wholly-owned subsidiary of the Company and is principally engaged in the generation technology services of solar power and wind power, generation, transmission and supply of power and new energy technology research and development.

Shandong Luqiao Qingdao Construction

As at date of this announcement, Shandong Luqiao Qingdao Construction is a 60% indirect non-wholly-owned subsidiary of SDHS Road&Bridge Group, which is a company established in the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange (Stock Code: 000498), and is in turn directly and indirectly owned as to 56.74% in aggregate by SDHS Group, an indirect controlling Shareholder of the Company. The remaining 40% of the equity interest in Shandong Luqiao Qingdao Construction is owned by Qingdao Ronghuida Construction Engineering Co., Ltd.* (青島融匯達建設工程有限公司), which is in turn directly owned as to 70% by Mr. Gong Wenjiang and 30% by Mr. Wang Qiang. Shandong Luqiao Qingdao Construction is principally engaged in construction engineering, road freight transport and sales of construction material, non-metallic minerals and products and concrete structural components.

SDHS Group

As at the date of this announcement, SDHS Group is (i) directly and indirectly held as to 90% by the Shandong Provincial State-owned Assets Supervision and Administration Commission; and (ii) directly held as to 10% by Shandong Caixin Asset Management Co., Ltd.* (山東省財欣資產運營有限公司), a governmental institution set up by the Shandong Provincial People's Government* (山東省人民政府). SDHS Group is an investment holding company in the infrastructure sector in Shandong Province with total assets of more than RMB1.6 trillion. It operates and manages 9,070 kilometres of expressways and has invested in six publicly listed companies, the shares of which are listed on the stock exchanges in Hong Kong, Shanghai and Shenzhen. It has been awarded domestic AAA-level and international A-level credit ratings.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, as (i) SDHS Group, being an indirect controlling Shareholder of the Company, through various entities owns an aggregate of approximately 60.66% of the issued shares capital of the Company; and (ii) Shandong Luqiao Qingdao Construction is a 60% indirect non-wholly owned subsidiary of SDHS Road&Bridge Group, which is in turn directly and indirectly held as to approximately 56.74% by SDHS Group, Shandong Luqiao Qingdao Construction is therefore regarded as an associate of SDHS Group and a connected person of the Company under Chapter 14A of the Listing Rules. As such, the Sales of Electricity under the Electricity Sales Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

Prior to the Electricity Sales Agreement, the Group entered into the Previous Agreements with various subsidiaries of SDHS Group in relation to the sales of electricity generated by distributed photovoltaic power stations of the Group in relevant designated areas. Particularly, the term of the Previous Agreement A is from 14 November 2022 to 13 November 2025, the term of the Previous Agreement B is from 24 April 2023 to 31 December 2025 and the term of the Previous Agreement C is from 1 November 2023 to 31 October 2026.

Pursuant to Rules 14A.81 to 14A.83 of the Listing Rules, a series of connected transactions will be aggregated and treated as if they were one transaction if they were all entered into or completed within a 12-month period or were otherwise related. As a result of (i) the overlap of duration of the Previous Agreements and the Electricity Sales Agreement; (ii) SDHS Service Development (being the counterparty under the Previous Agreement A), SDHS Yunnan (being the counterparty under the Previous Agreement B), Qilu Expressway Assembly (being the counterparty under the Previous Agreement C) and Shandong Luqiao Qingdao Construction (being the counterparty under the Electricity Sales Agreement) are all subsidiaries of SDHS Group, and hence regarded as associates of the same connected person of the Company; and (iii) the nature of the transactions and the principal terms of the Previous Agreements and the Electricity Sales Agreement are almost identical, the transactions under the Electricity Sales Agreement and the Previous Agreements should be aggregated under Rules 14A.81 to 14A.83 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Aggregated Annual Caps of the Sales of Electricity under the Electricity Sales Agreement and the transactions under the Previous Agreements conducted by the Group are more than 0.1% but all of which are less than 5%, the Sales of Electricity under the Electricity Sales Agreement is subject to the reporting, announcement and annual review requirements but is exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules for the Company.

DEFINITIONS

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

“Aggregated Annual Caps”	the aggregated annual caps for the estimated electricity fee receivable by the Group under the Electricity Sales Agreement, Previous Agreement A, Previous Agreement B and Previous Agreement C for the three years ending 31 December 2027 and for the period from 1 January 2028 to 6 May 2028
“Annual Caps”	the annual caps for the Electricity Fee receivable by Qingdao Shanhui Clean in respect of the Sales of Electricity for the three years ending 31 December 2027 and for the period from 1 January 2028 to 6 May 2028
“Board”	the board of directors of the Company

“Company”	Shandong Hi-Speed New Energy Group Limited (山高新能源集團有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 01250)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Designated Area A”	the designated area operated by SDHS Service Development as set out in Previous Agreement A, including Beijing Taipei Expressway Jinan Service Areas* (京台路濟南服務區) and the rooftops, unused areas, slopes and parking areas of East site area and West site area
“Designated Area B”	the designated area owned by SDHS Yunnan Group as set out in Previous Agreement B, including toll stations, service areas, slopes, tunnels and other unused space along the expressways
“Designated Area C”	the designated area operated by Qilu Expressway Assembly as set out in Previous Agreement C, including the building’s roof and part of the ground site of the relevant production plant
“Designated Areas of the Production Plant”	the designated areas owned by Shandong Luqiao Qingdao Construction, including the building’s roof, building and part of the ground site of the production plant at Qingdao West Coast Green Material Recycle Industrial Park* at Huangdao district of Qingdao city (青島市黃島區青島西海岸綠色環保材料再生產業園)
“Director(s)”	the directors of the Company
“Electricity Fee”	the fees payable by Shandong Luqiao Qingdao Construction to Qingdao Shanhui Clean in respect of the Sales of Electricity

“Electricity Sales Agreement”	the agreement entered into between Qingdao Shanhui Clean and Shandong Luqiao Qingdao Construction on 7 May 2025 in respect of the Sales of Electricity
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) which is/are independent of any member of the Group, the Directors, the chief executives, the controlling shareholders, the substantial shareholders of the Company or its subsidiaries and associates
“JNHS New Energy Technology”	Jinan Shandong Hi-Speed New Energy Technology Co., Ltd.* (濟南山高新能源科技有限公司), a company established in the PRC with limited liability and an indirect non-wholly-owned subsidiary of the Company
“kWh”	kilowatt hours
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MW”	Megawatt
“Photovoltaic Power Stations”	the photovoltaic power stations to be constructed and operated by the Company, with estimated construction capacity of approximately 3.39 MW
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan

“Previous Agreement A”	the energy project management agreement entered into between JNHS New Energy Technology and SDHS Service Development on 14 November 2022, in relation to the sales of electricity generated by distributed photovoltaic power stations of the Group in designated areas developed and operated by SDHS Service Development
“Previous Agreement B”	the framework agreement entered into between the Company and SDHS Yunnan on 24 April 2023, in relation to the sales of electricity generated by distributed photovoltaic power stations of the Group in designated areas owned by SDHS Yunnan Group
“Previous Agreement C”	the electricity sales agreement entered into between SHNE Pingyin and Qilu Expressway Assembly on 1 November 2023 in respect of the sales of electricity generated by the photovoltaic power stations of the Group in designated areas operated by Qilu Expressway Assembly
“Previous Agreements”	collectively, Previous Agreement A, Previous Agreement B and Previous Agreement C
“Qilu Expressway”	Qilu Expressway Company Limited (齊魯高速公路股份有限公司), a joint stock company established in the PRC with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1576), and indirectly held by SDHS Group as to approximately 38.93% of its issued share capital
“Qilu Expressway Assembly”	Qilu Expressway (Shandong) Assembly Co., Ltd. (齊魯高速(山東)裝配有限公司), a company established in the PRC with limited liability and an indirect non-wholly-owned subsidiary of Qilu Expressway

“Qingdao Shanhui Clean”	Qingdao Shanhui Clean Energy Technology Co., Ltd.* (青島山輝清潔能源科技有限公司), a company established in the PRC with limited liability and a direct wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Sales of Electricity”	the sales of electricity generated by Photovoltaic Power Stations in Designated Areas of the Production Plant to Shandong Luqiao Qingdao Construction under the Electricity Sales Agreement
“SDHG”	Shandong Hi-Speed Holdings Group Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 412)
“SDHS Group”	Shandong Hi-Speed Group Co. Ltd. (山東高速集團有限公司), a company established in the PRC with limited liability and also an indirect controlling Shareholder of the Company
“SDHS Road&Bridge Group”	Shandong Hi-Speed Road&Bridge Group Co., Ltd.* (山東高速路橋集團股份有限公司), a company established in the PRC with limited liability and the shares of which are listed on the Shenzhen Stock Exchange (Stock Code: 000498)
“SDHS Service Development”	Shandong Hi-Speed Service Development Group Co., Ltd.* (山東高速服務開發集團有限公司), a company established in the PRC with limited liability and also a wholly-owned subsidiary of SDHS Group
“SDHS Yunnan”	Shandong Hi-Speed Yunnan Development Co., Ltd.* (山東高速雲南發展有限公司), a company established in the PRC with limited liability and also a wholly-owned subsidiary of SDHS Group

“SDHS Yunnan Group”	SDHS Yunnan and its subsidiaries
“Shandong Luqiao Qingdao Construction”	Shandong Luqiao Group Qingdao Construction Co., Ltd.* (山東省路橋集團青島建設有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of SDHS Road&Bridge Group
“Shareholder(s)”	the shareholder(s) of the Company
“SHNE Pingyin”	Shandong Hi-Speed New Energy (Pingyin) Co., Ltd.* (山高新能源(平陰)有限公司), a company established in the PRC with limited liability and also an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board
Shandong Hi-Speed New Energy Group Limited
Li Tianzhang
Chairman

Hong Kong, 7 May 2025

As at the date of this announcement, the Board comprises Mr. Li Tianzhang, Mr. Zhu Jianbiao, Mr. Wang Wenbo, Mr. Liu Zhijie, Ms. Liao Jianrong, Mr. Li Li and Mr. Wang Meng as executive Directors; and Professor Qin Si Zhao, Mr. Victor Huang, Mr. Yang Xiangliang and Mr. Chiu Kung Chik as independent non-executive Directors.

* For identification purposes only.