



# PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENT

Shanghai A [redacted], [redacted], [redacted]:

## 1. Date

23 November 2022

## 2. Parties

(1) E [redacted] M [redacted] C [redacted];

(2) S [redacted] P [redacted] G [redacted] E [redacted] S [redacted].

T [redacted], [redacted] D [redacted] C [redacted], [redacted] S [redacted] P [redacted] G [redacted] E [redacted] S [redacted] I [redacted] T [redacted] P [redacted].

## 3. Subscribed Shares

E [redacted] M [redacted] C [redacted] S [redacted] P [redacted] G [redacted] E [redacted] S [redacted] 39,401,103 [redacted] (A [redacted]) S [redacted] P [redacted] G [redacted] E [redacted] S [redacted] E [redacted] M [redacted] C [redacted].

## 4. Subscription Price

S [redacted] P [redacted] RMB12.69 [redacted] S [redacted] S [redacted], [redacted] 81% [redacted] S [redacted] P [redacted] G [redacted] E [redacted] S [redacted] 20 [redacted] P [redacted] D [redacted] D [redacted].

T [redacted] RMB499,999,997.07 ([redacted] HK\$548,353,838.55).





THE COMPANY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021:

**For the year ended  
31 December**

	<b>2021</b>	<b>2020</b>
	(Amount in RMB'000)	(Amount in RMB'000)
NON-CURRENT ASSETS	<b>36,613</b>	132,187
NON-CURRENT LIABILITIES	<b>15,758</b>	110,722

AS AT 31 DECEMBER 2021, THE COMPANY'S NON-CURRENT ASSETS WERE RMB2,137.3637 MILLION (2020: RMB14,900.2469 MILLION), WHICH WERE MAINLY COMPOSED OF:

**REASONS FOR AND BENEFITS OF SUBSCRIPTION BY ELECTRIC MACHINERY COMPANY FOR SHARES ISSUED UNDER NON-PUBLIC ISSUANCE BY SOUTHERN POWER GRID ENERGY STORAGE**

THE COMPANY'S SUBSCRIPTION OF SHARES UNDER NON-PUBLIC ISSUANCE BY SOUTHERN POWER GRID ENERGY STORAGE IS A STRATEGIC MOVE TO STRENGTHEN THE COMPANY'S FINANCIAL POSITION AND SUPPORT THE COMPANY'S BUSINESS DEVELOPMENT. THE COMPANY HAS CONDUCTED DUE DILIGENCE ON SOUTHERN POWER GRID ENERGY STORAGE AND IS CONVINCED THAT THE SUBSCRIPTION WILL BRING SIGNIFICANT BENEFITS TO THE COMPANY.

THE COMPANY'S SUBSCRIPTION OF SHARES UNDER NON-PUBLIC ISSUANCE BY SOUTHERN POWER GRID ENERGY STORAGE IS A STRATEGIC MOVE TO STRENGTHEN THE COMPANY'S FINANCIAL POSITION AND SUPPORT THE COMPANY'S BUSINESS DEVELOPMENT. THE COMPANY HAS CONDUCTED DUE DILIGENCE ON SOUTHERN POWER GRID ENERGY STORAGE AND IS CONVINCED THAT THE SUBSCRIPTION WILL BRING SIGNIFICANT BENEFITS TO THE COMPANY.

**IMPLICATIONS UNDER THE LISTING RULES**

AS AT 31 DECEMBER 2021, THE COMPANY'S FINANCIAL POSITION AND BUSINESS DEVELOPMENT ARE IN LINE WITH THE LISTING RULES. THE COMPANY'S SUBSCRIPTION OF SHARES UNDER NON-PUBLIC ISSUANCE BY SOUTHERN POWER GRID ENERGY STORAGE IS A STRATEGIC MOVE TO STRENGTHEN THE COMPANY'S FINANCIAL POSITION AND SUPPORT THE COMPANY'S BUSINESS DEVELOPMENT. THE COMPANY HAS CONDUCTED DUE DILIGENCE ON SOUTHERN POWER GRID ENERGY STORAGE AND IS CONVINCED THAT THE SUBSCRIPTION WILL BRING SIGNIFICANT BENEFITS TO THE COMPANY.



