

## **Hangzhou Turbine Power Group Co., Ltd.**

### **Announcement on provide Credit guarantee for New Energy Company**

*The members of the Board and the Company acknowledge being responsible for the truthfulness, accuracy, and completeness of the announcement. Not any false record, misleading statement or significant omission carried in this announcement*

#### **Special Note:**

**The asset-liability ratio of the new energy company to be guaranteed this time exceeds 70%, and this guarantee matter needs to be submitted to the general meeting of shareholders for deliberation. Investors are advised to pay full attention to the guarantee risks.**

#### **I. Overview of the Guarantee**

Hangzhou Turbine New Energy Co., Ltd (hereinafter referred to as: Turbine New Energy Company), a wholly-owned subsidiary to the Company, intends to apply for a credit line of 300 million yuan from ICBC Banshan Subbranch for meeting the development needs of the company, which needs the Company to provide the guarantee, with the guarantee method is joint and several liability guarantee, and the guarantee period is: Two years from the expiry date to the occurrence period of the main creditor's right

The "Proposal on Providing Guarantees for New Energy Company" was deliberated and passed in the third meeting of the ninth session of the board of directors of the Company with 9 votes in favor, 0 votes against and 0 abstentions.

According to the relevant regulations of listed companies, the guarantee provided by the company for guarantee objects whose asset-liability ratio exceeds 70% shall be submitted to the general shareholders 'meeting. Turbine New Energy Company's asset-liability ratio exceeds 70%, This proposal is subject to examination of the Shareholders' Meeting. This guarantee does not constitute a related transaction and shall not be subject to the relevant government departments

for approval

## II . Basic Information about the Guaranteed

1. Company name: Hangzhou Turbine New Energy Co., Ltd.

2. Unified social credit code: 913301005832089108

3. Date of establishment: September 30, 2011

4. Registration address: Room 1201, Technology Building, No. 608, Kangxin Road, Economic & Technological Development Zone, Yuhang District, Hangzhou City

5. Legal representative: Lin Zhangxin

6. Registered capital: 500 million yuan

7. Main business: general projects: engineering and technical research and test development; import and export of goods; sales of lubricants; general contracting of electric power projects; design and installation: complete sets of mechanical and electrical equipment projects, small and medium thermal power generation projects, energy-saving technology renovation projects and provision of related technical services, technical consultation, and transfer of technology costs [the aforesaid business scope excludes installation (repair and test) of electric power facilities]; wholesale and retail: complete sets of mechanical and electrical equipment, metal materials, high and low voltage electrical appliances, wires and cables, instruments and meters, thermal insulation and refractory materials; (For projects subject to approval according to law, business activities can only be carried out after approval by relevant departments). Licensed projects: construction engineering design; construction engineering construction (projects that have been issued and subject to approval can only carry out business activities after being approved by the relevant departments, and the specific business items are subject to the approval results).

8. Relationship with the company: The Turbine New Energy Company is a wholly-owned subsidiary to the Company, and the Company holds 100% of the shares.

9. The guarantor of the recent financial situation:

In RMB 10,000

Type	2022	September 2023
Total assets	62,731.82	127,505.09
Total liability	43,632.70	101,431.46
Owners' Equity	19,099.12	26,073.63
Asset liability ratio	69.55%	79.55%
Revenue	24,813.08	52,018.12
Total profit	1,570.23	6,611.40

Net profit	1,039.01	6,666.87
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#### 10. Description of other matters

Turbine New Energy Company is not listed as a defaulter

### **III. The main contents of the guarantee agreement**

Maximum Amount Guarantee Contract between the Company and ICBC

1. Creditor: ICBC Banshan Subbranch

2. Debtor: Hangzhou Turbine New Energy Co., Ltd.

Guarantor: Hangzhou Turbine Power Group Co., Ltd.

2. Maximum Amount Guarantee: 300 million yuan

3. Guarantee mean: Joint-liability guarantee

4. Scope of Guarantee: principal of the main claim (including the principal of the precious metal leasing claim and the amount of RMB converted according to the precious metal leasing contract), interest, precious metal leasing fee and personalized service fee, compound interest, penalty interest, liquidated damages, damages, precious metal leasing weight more-or-less fee, exchange rate loss (related losses caused by exchange rate changes), related losses caused by precious metal price changes, transaction fees and other expenses incurred by the lender exercising corresponding rights in accordance with the main contract and the costs of realizing claims (including but not limited to litigation fees, lawyer fees, etc.)

5. Guarantee period: two years from the next day after the maturity or early maturity of the main claim.

6. Period of occurrence of main creditor's rights: November 17, 2023- November 16, 2025

### **IV. Opinions from Board of Directors**

Reasons for guarantee:

The Company provides guarantee for Turbine New Energy Company this time, which is in line with the operation and development needs of Turbine New Energy Company, and it will promote the smooth development of its strategic development goals and ensure its periodic capital needs. The financial risks of the guarantee provided this time are within the controllable range of the Company and will not adversely affect the daily operations of the Company or its subsidiaries.

### **V. Cumulative Amount of External Guarantee and Amount of Overdue Guarantee**

After this guarantee, the total amount of guarantees of the Company and its holding subsidiaries is 1,423 million yuan. After this guarantee is provided, the total balance of external guarantees by the Company and its holding subsidiaries accounts for 17.09% of the Company's

2022 audited net assets (8,328.4811 million yuan);

The Company has no overdue guarantees, and there is no guarantee amount for overdue debts involving in litigation and no guarantee amount that shall be borne due to the guarantee is ruled with a defeat in lawsuit.

#### **VI. Documents for reference**

1. Resolution of the 3rd meeting of the 9th term Board of Directors;
2. The maximum guarantee contract signed between the Company and the bank.

The Board of Directors of Hangzhou Turbine Power Group Co., Ltd.

October 31, 2023