

KEDA Industrial Group Co., Ltd.

Plan (Summary) for Issuance of Shares and Payment by Cash to
Acquire Assets and Raise Counterpart Funds and for Related
Party Transaction

January 2026

Definitions

In this summary of the plan, unless otherwise specified by the context, the following terms shall have the meanings set forth below:

Plan Summary, this Summary of the Plan		<i>KEDA Industrial Group Co., Ltd. Plan (Summary) for Issuance of Shares and Payment by Cash to Acquire Assets, for Raise Counterpart Funds and for Related Party Transaction</i>
Plan	Refers to	<i>KEDA Industrial Group Co., Ltd. Plan for Issuance of Shares and Payment by Cash to Acquire Assets, for Raise Counterpart Funds and for Related Party Transaction</i>
Restructuring report	Refers to	<i>KEDA Industrial Group Co., Ltd. Report (Draft) on Issuance of Shares and Payment by Cash to Acquire Assets, on Raise Counterpart Funds and on Related Party Transaction</i>
Listed company, the Company, Company, KEDA Group	Refers to	KEDA Industrial Group Co., Ltd., a company listed on the Main Board of the Shanghai Stock Exchange, the controlling shareholder of the target company
Counterparties	Refers to	24 shareholders of the target company, including Sunda Group Co., Limited
Twyford International, the target company, the transaction target	Refers to	Guangdong Twyford International Holding Co., Ltd.
Target assets	Refers to	51.55% equity interest in Twyford International
This transaction	Refers to	KEDA Group will issue shares to the counterparties and pay cash to acquire 51.55% of the equity interest in Twyford International, and will also issue shares to no more than 35 specific investors to raise counterpart funds.
This acquisition of assets through the issuance of shares and payment by cash	Refers to	KEDA Group will issue shares and pay cash to the counterparties to acquire 51.55% of the equity interest in Twyford International.
Raising of counterpart funds through this issuance of shares	Refers to	KEDA Group will issue shares to no more than 35 specific investors to raise counterpart funds.
Completion date of this issuance	Refers to	The date on which the shares issued by KEDA Group under this issuance are registered in the name of the counterparties to the transaction and, upon approval, listed on the Shanghai Stock Exchange.
Sunda Group	Refers to	Sunda Group Co., Limited., incorporated in Hong Kong, China, the second-largest shareholder of the target company
Foshan Fucheng	Refers to	Foshan Fucheng Enterprise Management Partnership (Limited Partnership), shareholder of the target company
Foshan Fujing	Refers to	Foshan Fujing Enterprise Management Partnership (Limited Partnership), shareholder of the target company
Foshan Futuan	Refers to	Foshan Futuan Enterprise Management Partnership (Limited Partnership), shareholder of the target company
Foshan Fujin	Refers to	Foshan Fujin Enterprise Management Partnership (Limited Partnership), shareholder of the target company

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Foshan Fufen	Refers to	Foshan Fufen Enterprise Management Partnership (Limited Partnership), shareholder of the target company
Foshan Fuzhong	Refers to	Foshan Fuzhong Enterprise Management Partnership (Limited Partnership), shareholder of the target company
Tai'an Fujin	Refers to	Tai'an Fujin Investment Services Partnership (Limited Partnership), shareholder of the target company
Tai'an Fuhao	Refers to	Tai'an Fuhao Investment Services Partnership (Limited Partnership), shareholder of the target company
Lanke Lithium	Refers to	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.
CSRC	Refers to	The China Securities Regulatory Commission
CSRC Guangdong Office	Refers to	China Securities Regulatory Commission Guangdong Office
SSE	Refers to	Shanghai Stock Exchange
<i>The Company Law</i>	Refers to	<i>Company Law of the People's Republic of China</i>
<i>The Securities Law</i>	Refers to	<i>Securities Law of the People's Republic of China</i>
<i>Measures for the Administration of Material Asset Restructurings</i>	Refers to	<i>Measures for the Administration of Material Asset Restructurings of Listed Companies</i>
<i>Measures for the Administration of the Registration of Securities Issuance</i>	Refers to	<i>Measures for the Administration of the Registration of Securities Issuance by Listed Companies</i>
RMB, RMB'0,000	Refers to	Unless otherwise specified, amounts are denominated in RMB and RMB'0,000.

Note: In this Summary of the Plan, certain totals may differ slightly in the last digit from the sum obtained by directly adding the individual amounts. These differences are caused by rounding.

1. Specific Plan for this Transaction

The listed company intends to acquire a 51.55% equity interest in Twyford International through the issuance of shares and the payment by cash, and also intends to issue shares to no more than 35 specified investors to raise counterpart funds.

This transaction consists of the acquisition of assets through the issuance of shares and payment by cash, and the raising of counterpart funds. Specifically, the raising of counterpart funds is conditional upon the successful implementation of the acquisition of assets through the issuance of shares and payment by cash; however, the acquisition of assets through the issuance of shares and payment by cash is not conditional upon the successful implementation of the raising of counterpart funds. Ultimately, whether the raising of counterpart funds is successful will not affect the implementation of this acquisition of assets through the issuance of shares and payment by cash.

As of the signing date of this Summary of the Plan, the audit and appraisal work related to this transaction had not yet been completed, and the transaction price for the target assets had not yet been determined. Matters such as the final transaction price of this transaction, and the respective proportions of payment for shares and payment in cash, will be determined through negotiations among the parties to the transaction after the audit and appraisal work of the target company is completed, and will be disclosed in the restructuring report.

(1) Specific plan for acquiring assets through issuance of shares and payment by cash

The listed company intends to acquire the aggregate 51.55% equity interest in Twyford International held by 24 counterparties to the transaction, including Sunda Group, through the issuance of shares and payment by cash. Upon completion of this transaction, the listed company will hold 100% equity interest in Twyford International.

1. Type, par value, and place of listing of the shares to be issued

The type of shares to be issued in connection with the acquisition of assets in this transaction is domestically listed RMB-denominated ordinary shares (A shares), with a par value of RMB1.00 per share, and the place of listing is the SSE.

2. Issuance targets and subscription method

The targets receiving the shares to be issued in this transaction are Sunda Group, Luo Jichao, Wang Dajiang, Tai'an Fujin, Tai'an Fuhao, Foshan Futuan, Li Yuejin, Foshan Fucheng, Foshan Fufen, Zhang Jianfeng, Hu Dongming, Zhou Renwei, Foshan Fujin, Chen Chaobo, Foshan Fuzhong, Ding Zhen, Yue Jie, Xu Chao, Li Ruiqin, Feng Ligang, Foshan Fujing, Wang Xiaoqing, Hu Wei, and Li Wei, a total of 24 counterparties to the transaction.

This issuance adopts the method of issuing shares to specific investors. The issuance targets will subscribe for the shares issued by the listed company in this issuance by contributing their equity interests in the target company.

3. Pricing benchmark date, pricing basis, and issue price

The pricing benchmark date for this transaction is the date of the announcement of the resolution made at the 15th meeting of the 9th session of the board of directors of the listed company. Pursuant to the relevant provisions of the *Measures for the*

Administration of Material Asset Restructurings: the price for the listed company's issuance of shares shall not be lower than 80% of the market reference price. The market reference price is one of the average transaction prices of the Company's shares over 20 trading days, 60 trading days, or 120 trading days prior to the pricing benchmark date. The formula for calculating the average transaction price is: average transaction price of the Company's shares over a certain number of transaction days prior to the pricing benchmark date = total transaction amount of the Company's shares over a certain number of trading days prior to the resolution announcement date / total transaction volume of the Company's shares over a certain number of trading days prior to the resolution announcement date.

As calculated, the market reference prices available for selection for this acquisition of assets through the issuance of shares and payment by cash by the listed company are as follows:

Market Reference Price	Average Transaction Price	80% of the Average Transaction Price
Over 20 trading days prior to the pricing benchmark date	14.01	11.21
Over 60 trading days prior to the pricing benchmark date	13.30	10.64
Over 120 trading days prior to the pricing benchmark date	12.67	10.14

Upon friendly negotiation among all parties to the transaction, the issue price for this issuance of shares for the acquisition of assets is RMB 10.80/share, and shall be no lower than 80% of the average transaction price of the Company's shares over 60 trading days prior to the announcement date. The calculation formula for the average transaction price is: the average transaction price of the Company's shares over 60 trading days prior to the announcement date = the total transaction amount of the Company's shares over 60 trading days prior to the announcement date / the total transaction volume of the Company's shares over 60 trading days prior to the announcement date.

During the period from the pricing benchmark date to the issuance date, if the listed company implements any ex-rights or ex-dividend matters such as dividend distribution, bonus share issuance, conversion of capital reserve into share capital, rights issue, the issue price for this issuance of shares for the acquisition of assets will be adjusted accordingly in accordance with the relevant regulations of the China Securities Regulatory Commission and the SSE. The calculation result will be rounded up and accurate to the cent. The adjustment formula for the issue price is as follows:

Bonus share issuance or conversion of capital reserve into share capital: $P1 = P0/(1+n)$;

Rights issue: $P1 = (P0 + A \times k)/(1 + k)$;

The above two items shall be carried out simultaneously: $P1 = (P0 + A \times k) / (1 + n + k)$;

Dividend distribution (cash dividends): $P1 = P0 - D$;

The above three items are carried out simultaneously: $P1 = (P0 - D + A \times k) / (1 + n + k)$.

Where: P_0 is the effective issue price before adjustment; n is the bonus share issuance ratio or the ratio of conversion of capital reserve into share capital; k is the rights issue ratio; A is the rights issue price; D is the dividend per share (cash dividend) for the relevant distribution; and P_1 is the effective issue price after adjustment.

The final issue price shall be subject to approval by the general meeting of shareholders of the listed company, review and approval by the SSE, and approval for registration from the China Securities Regulatory Commission. During the period from the pricing benchmark date to the share issuance date of this issuance, if the China Securities Regulatory Commission makes any policy adjustments to the determination of the issue price, the issue price will be adjusted accordingly.

4. Number of shares to be issued

As of the signing date of this Summary of the Plan, the audit and appraisal of the target company had not yet been completed, and the specific transaction price had not yet been determined. Therefore, the number of shares to be issued by the listed company to the transaction counterparties has not yet been determined. In this transaction, the number of shares to be issued to each transaction counterparty equals the transaction consideration payable to each transaction counterparty in the form of share issuance / the issue price for this issuance, and the total number of shares to be issued equals the sum of the number of shares issued to each transaction counterparty.

The number of shares to be issued to each counterparty to the transaction shall be an integer and shall be accurate to the ones place. If, after being calculated in accordance with the foregoing formula, the number of shares exchangeable by any counterparty to the transaction is not an integer, the portion of the target assets corresponding to the fractional share of less than one share shall be donated to the listed company free of charge, and the number of shares shall be rounded down.

During the period from the pricing benchmark date to the issuance date, if the listed company implements any ex-rights or ex-dividend matters such as dividend distribution, bonus share issuance, conversion of capital reserve into share capital, rights issue, and the issue price of the shares needs to be adjusted accordingly, the number of shares to be issued in this issuance shall also be adjusted accordingly.

The final number of shares issued shall be subject to the number of shares approved upon review by the SSE and registered with the approval of the China Securities Regulatory Commission.

5. Lock-up period arrangements

Pursuant to the *Measures for the Administration of Material Asset Restructurings*, any newly issued shares of the listed company acquired by any counterparty as a result of this transaction shall not be transferred within 36 months from the completion date of this share issuance if, at the time of the share acquisition, the counterparty has continuously held equity interests in the target assets used to subscribe for the shares for less than 12 months; if such period reaches or exceeds 12 months, the shares shall not be transferred within 12 months from the completion date of this share issuance.

If a definitive performance compensation agreement is entered into for this transaction, the signatories to the performance compensation agreement will further specify, by executing a written supplemental agreement, the lock-up period arrangement for the

shares of the listed company obtained as a result of this transaction.

The lock-up period for the shares obtained by the counterparties through this acquisition of assets through the issuance of shares and payment by cash shall, subject to compliance with the requirements of laws and regulations such as the *Measures for the Administration of Material Asset Restructurings*, be determined through consultation and agreement between the listed company and the counterparties. The specific share lock-up arrangements will be disclosed in detail in the restructuring report.

Upon completion of this transaction, during the share lock-up period, any shares correspondingly increased due to the listed company's bonus share issuance, conversion of capital reserve into share capital, or other reasons in respect of the consideration shares obtained by the counterparties through this transaction shall also comply with the aforesaid share lock-up arrangements. If the arrangements for the aforesaid lock-up period are inconsistent with the latest regulatory opinions of regulatory authorities such as the China Securities Regulatory Commission, the parties shall adjust the lock-up period arrangements in accordance with the latest regulatory opinions of the regulatory authorities.

6. Attribution of profit or loss during the transition period

If the target company achieves profits during the transition period and/or its net assets increased due to other reasons, the appreciation portion shall be enjoyed by the listed company; if the target company incurred losses during the transition period, the counterparties shall compensate the listed company in cash and shall make such cash compensation to the listed company within thirty (30) days after the date on which the special audit report is formally issued; the specific amount of loss compensation shall be calculated based on the proportion of the target company's equity sold by each counterparty to the listed company.

7. Arrangements for retained undistributed profit

The retained undistributed profits of the listed company accumulated prior to this acquisition of assets through the issuance of shares and payment by cash shall be jointly enjoyed by both existing and new shareholders after the completion of the issuance, from the date of completion of this issuance, in proportion to their shareholdings as registered with the securities depository and clearing institution.

(2) Specific plan for raising counterpart funds

In this transaction, the listed company intends to raise counterpart funds by issuing shares to no more than 35 (inclusive) eligible specific investors through a bookbuilding offering. The total amount of counterpart funds to be raised in this issuance shall not exceed 100% of the transaction price for the assets to be acquired through the issuance of shares in this transaction, and the number of shares to be issued for the counterpart funds shall not exceed 30% of the listed company's total share capital upon completion of this issuance of shares and the payment of cash for the asset acquisition. The final number of shares to be issued will be ultimately determined, in accordance with relevant provisions such as the *Measures for the Administration of the Registration of Securities Issuance*, based on the bookbuilding results after this transaction has been reviewed and approved by the SSE and the registration has been approved by the China Securities Regulatory Commission.

1. Type, par value, and place of listing of the shares to be issued

The type of shares to be issued for this raising of counterpart funds is domestically listed RMB-denominated ordinary shares (A shares), with a par value of RMB1.00 per share, and the place of listing is the SSE.

2. Issuance targets and subscription method

The listed company intends to issue shares to no more than 35 (inclusive) eligible specific investors to raise counterpart funds.

3. Pricing benchmark date, pricing basis, and issue price

In this transaction, the pricing benchmark date for the listed company's issuance of shares to specific investors to raise counterpart funds is the first day of the issuance period for the share issuance to specific investors, and the share issuance price shall be no lower than 80% of the average transaction price of the Company's shares over the 20 trading days prior to the pricing benchmark date.

The counterpart funds to be raised through the issuance of shares to specific investors will be conducted through a bookbuilding offering. The specific issue price will be determined, after this transaction is reviewed and approved by the SSE and registered with the approval of the China Securities Regulatory Commission, by the board of directors of the listed company under the authorization of the general meeting of shareholders, in accordance with the relevant laws, administrative regulations, and regulatory documents, and based on the bookbuilding results, through consultation with the independent financial adviser (lead underwriter) for this issuance.

During the period from the pricing benchmark date to the issuance date, if the listed company implements any ex-rights or ex-dividend matters such as dividend distribution, bonus share issuance, conversion of capital reserve into share capital, rights issues, the issuance price for this offering will be adjusted accordingly in accordance with the relevant regulations of the China Securities Regulatory Commission and the SSE, the adjusted price shall be rounded up and calculated to the nearest fen. The adjustment formula for the issue price is as follows:

Bonus share issuance or conversion of capital reserve into share capital: $P1 = P0/(1+n)$;

Rights issue: $P1 = (P0 + A \times k)/(1 + k)$;

The above two items shall be carried out simultaneously: $P1 = (P0 + A \times k) / (1 + n + k)$;

Dividend distribution (cash dividends): $P1 = P0 - D$;

The above three items are carried out simultaneously: $P1 = (P0 - D + A \times k) / (1 + n + k)$.

Where: $P0$ is the effective issue price before adjustment; n is the bonus share issuance ratio or the ratio of conversion of capital reserve into share capital; k is the rights issue ratio; A is the rights issue price; D is the dividend per share (cash dividend) for the relevant distribution; and $P1$ is the effective issue price after adjustment.

4. Number of shares to be issued

The total amount of counterpart funds to be raised shall not exceed 100% of the

transaction price for acquiring assets by means of share issuance in this transaction, and the number of shares to be issued for the counterpart fundraising shall not exceed 30% of the total share capital of the listed company upon completion of this issuance of shares and the payment of cash for the asset acquisition. The final number of shares to be issued will be ultimately determined, in accordance with relevant provisions such as the *Measures for the Administration of the Registration of Securities Issuance*, based on the bookbuilding results after this transaction has been reviewed and approved by the SSE and the registration has been approved by the China Securities Regulatory Commission.

During the period from the pricing benchmark date to the issuance date, if the listed company implements any ex-rights or ex-dividend matters such as dividend distribution, bonus share issuance, conversion of capital reserve into share capital, rights issue, and the issue price of the shares needs to be adjusted accordingly, the number of shares to be issued in this issuance shall also be adjusted accordingly.

5. Lock-up period arrangements

The shares of the listed company subscribed by the investors in this raising of counterpart funds shall not be transferred within six months from the date on which the issuance of such shares is completed.

During the above lock-up period, the shares of the listed company additionally acquired by the subscriber(s) of the counterpart funds raised due to the listed company's bonus share issuance, conversion of capital reserve into share capital, or other reasons shall also comply with the above undertakings. If the aforesaid lock-up period is not consistent with the latest regulatory requirements of the securities regulatory authority, the investor(s) of the counterpart funds raised will make corresponding adjustments in accordance with the latest regulatory opinions of the regulatory authority.

6. Use of proceeds from the raising of counterpart funds

The proceeds from the issuance of shares to raise counterpart funds will be used to pay the cash consideration for this transaction and related transaction taxes and fees, pay intermediary agency fees, and supplement working capital. The specific purposes and amounts of the raised funds will be disclosed in the restructuring report.

This raising of counterpart funds is conditional upon the successful implementation of the transaction for this acquisition of assets through the issuance of shares and payment by cash. However, whether the raising of counterpart funds is successful does not affect the implementation of the transaction for the acquisition of assets through the issuance of shares and payment by cash.

If the raising of counterpart funds fails to be approved for implementation, or if it is approved but is insufficient to pay the cash consideration of this transaction, the shortfall will be paid by the Company using its own funds or self-raised funds, and, based on the actual needs for the use of the counterpart funds, appropriate adjustments will be made to matters such as the sequence, amount, and specific methods of capital investment for the use of the counterpart funds raised as described above. Before the counterpart funds are in place, if the listed company makes preliminary payments using its own funds or self-raised funds according to actual circumstances, after the counterpart funds are in place, the counterpart funds will be used to replace the own

funds or self-raised funds that have already been paid.

7. Arrangements for retained undistributed profit

The retained undistributed profits of the listed company accumulated prior to this raising of counterpart funds through the issuance of shares shall be jointly enjoyed by both existing and new shareholders after the completion of the issuance, from the date of completion of this issuance, in proportion to their shareholdings as registered with the securities depository and clearing institution.

II. Nature of this Transaction

(1) This transaction constitutes a related party transaction

Among the counterparties to this transaction, Sunda Group is an enterprise controlled by Shen Yanchang, a director of the listed company, and his spouse Yang Yanjuan; Li Yuejin is a director of the listed company; upon completion of this transaction, Sunda Group and its persons acting in concert are expected to hold more than 5% of the shares of the listed company. Pursuant to the relevant provisions of the *Rules Governing the Listing of Stocks on the Shanghai Stock Exchange*, the aforementioned counterparties are related parties of the listed company, and this transaction constitutes a related party transaction.

When the board of directors of the listed company deliberated on matters related to this transaction, the related directors abstained from voting; when the board of directors of the listed company deliberates on this transaction again, the related directors will continue to abstain from voting. When the listed company subsequently convenes a general meeting of shareholders to deliberate on matters related to this transaction, the related shareholders will abstain from voting.

(2) This transaction is expected to constitute a material asset restructuring

As of the signing date of this Summary of the Plan, the transaction price of the target assets of this transaction had not yet been finally determined. Based on a preliminary assessment using the unaudited financial data of the target company, it is expected that this transaction will meet the criteria for a material asset restructuring as set out in the *Measures for the Administration of Material Asset Restructurings*. With respect to the specific determination of whether this transaction constitutes a material asset restructuring, the listed company will provide detailed analysis and disclosure in the restructuring report.

(3) This transaction is expected not to constitute a listing through restructuring

Prior to this transaction, the listed company had no de facto controller. It is expected that upon completion of this transaction, the listed company will still have no de facto controller. This transaction is not expected to result in a change of control of the listed company. It is expected that the ratios of the target company's total assets, net assets, and operating revenue to the corresponding financial figures of the listed company will not exceed 100%. It is expected that the shares issued by the listed company for the acquisition of assets will not exceed 100% of the listed company's shares as of the trading day immediately preceding the date of the first board resolution for this transaction. The principal business of the listed company will not undergo any fundamental change. Pursuant to Article 13 of the *Measures for the Administration of*

Material Asset Restructurings, this transaction does not constitute a listing through restructuring.

III. Appraisal and Valuation of the Target Assets

As of the signing date of this Summary of the Plan, the audit and appraisal of the target assets of this transaction had not yet been completed, and the estimated value and transaction price of the target assets of this transaction had not yet been determined. The final transaction price of the target assets will be determined through full negotiation among the parties to the transaction based on the appraisal results set out in the appraisal report issued by an asset appraisal institution that complies with the provisions of the *Securities Law*. After the relevant audit and appraisal of the target assets are completed, the listed company will enter into an agreement with the counterparties to confirm the final transaction price. The audited financial data, appraisal results, and pricing of the target assets will be disclosed in the restructuring report.

IV. Performance Commitment and Compensation Arrangements for this Transaction

Given that the audit and appraisal work related to this transaction has not yet been completed, no relevant performance commitment and compensation agreement has been signed for this transaction at this time. After the relevant audit, appraisal and other work has been completed, the listed company will, in accordance with the relevant requirements of the *Measures for the Administration of Material Asset Restructurings*, negotiate with the transaction counterparty on matters such as performance compensation commitments, and will sign the relevant agreement(s) separately and disclose them in the restructuring report.

V. Impact of this Transaction on the Listed Company

(1) Impact of this transaction on the listed company's principal business

In recent years, the listed company have thoroughly implemented the globalization strategy, continuously advanced capacity development and market expansion for overseas building materials businesses, and optimized regional deployment. At the same time, it has improved the globalization deployment and localized operating system for the ceramic machinery business, promoting sustainable development through product iteration and service innovation.

The listed company's principal business involves the production and sales of building ceramic machinery and overseas building materials. Strategically, it invests in lithium salt business, primarily through Lanke Lithium, and also cultivates business in lithium-ion battery materials and equipment, hydraulic pumps, and smart energy. The target company is a controlled subsidiary of the listed company and the main operating entity of the listed company's overseas building materials business segment. Upon completion of this transaction, the target company will change from a controlled subsidiary of the listed company to a wholly owned subsidiary. This transaction will not result in any change to the listed company's principal business.

(2) Impact of this transaction on the shareholding structure of the listed company

The final shareholding structure upon completion of this transaction will be determined

based on the actual number of shares ultimately issued. Both before and after this transaction, the listed company has no controlling shareholder or de facto controller, and this transaction will not result in any change in the control structure of the listed company.

As of the signing date of this Summary of the Plan, the audit and appraisal work for the target assets involved in this transaction had not yet been completed, and the transaction price of the target assets had not yet been determined. Therefore, the changes in the equity ownership structure of the listed company before and after this transaction cannot be accurately calculated at this time. With respect to the specific changes in the equity ownership structure of the listed company before and after this transaction, the listed company will conduct calculations after the completion of the relevant work such as the audit and appraisal of the target assets involved in this transaction and will disclose such information in the restructuring report.

(3) Impact of this transaction on the listed company's financial position and profitability

Through this transaction, key financial indicators such as net assets and net profit attributable to the shareholders of the listed company will increase significantly. As of the date of execution of this Summary of the Plan, the audit and appraisal of the target company had not yet been completed, and the changes in the listed company's major financial indicators before and after this transaction could not yet be accurately calculated. After the completion of relevant work such as the audit and appraisal, the listed company will conduct a quantitative analysis of the impact of this transaction on the listed company's major financial indicators and disclose it in the restructuring report.

VI. Approval Procedures Completed and Yet to Be Completed for this Transaction

(1) Decision-making and approval procedures performed for this transaction

As of the signing date of this Summary of the Plan, the decisions and approvals completed for this transaction include:

1. This transaction has been reviewed and approved at the 15th meeting of the 9th session of the board of directors of the listed company;
2. This transaction has obtained the principle-based consent opinion of shareholders holding more than five percent of the shares;
3. The counterparties to this transaction have completed the internal authorizations or approvals currently required at this stage.

(2) Decision-making and approval procedures yet to be completed for this transaction

The decision-making procedures and approval procedures yet to be performed for this transaction are as follows:

1. After the audit and appraisal reports related to this transaction are issued, the listed company will convene another meeting of the board of directors to review and approve the formal transaction plan and the relevant proposals;
2. The internal decision-making bodies of the counterparties will review and approve the formal plan for this transaction;

3. The general meeting of shareholders of the listed company reviews and approves this transaction;
4. This transaction obtained approval upon review by the SSE and approval for registration from the China Securities Regulatory Commission;
5. Other approvals or authorizations involved as required by relevant laws and regulations (if applicable).

This transaction plan shall not be implemented before obtaining the approval, review clearance, or registration consent from the relevant competent authorities. Whether this transaction can obtain the above approval, review clearance, or registration consent, and the timing of ultimately obtaining such approval, review clearance, or registration consent, are uncertain. Investors are advised to be aware of investment risks.

VII. Information Pending Supplementary Disclosure

As of the signing date of this Summary of the Plan, the audit and appraisal work for this transaction had not yet been completed, and the appraised value of the target assets and the transaction price had not yet been determined. The relevant data involved in this Summary of the Plan had not yet been audited or valued by audit and appraisal institutions that comply with the provisions of the *Securities Law*. The audited financial data and appraisal results of the relevant assets will be disclosed in the restructuring report.

This Summary of the Plan, based on the current progress and the uncertainties that may be encountered, provides special explanations of the risk factors related to this transaction, and reminds investors to carefully read the risk alerts disclosed in this Summary of the Plan and to be aware of investment risks.

After the disclosure of this Summary of the Plan, the listed company will continue, in accordance with the requirements of relevant laws and regulations, to disclose the progress of this transaction promptly and accurately. Investors are kindly reminded to be aware of investment risks.

VIII. Major Risk Warning

The Company specifically reminds investors that, when assessing this transaction, they should carefully consider the following risks:

1. Risks related to this transaction

(1) Approval risk

This transaction is still subject to multiple approval procedures, and there is uncertainty as to whether and when the required approvals, registrations, or consents can be obtained. If such approvals cannot be obtained, this transaction will not be able to be implemented.

(2) Risk that the transaction may be suspended, terminated, or cancelled

This transaction may be suspended, terminated, or cancelled due to reasons such as insider transaction, changes in the market environment, regulatory review requirements, or the failure of both parties to reach an agreement on adjustments to the plan. If the transaction is relaunched after cancellation, the transaction terms may need to be adjusted.

(3) Risks for which audit and appraisal have not yet been completed

As of now, the audit and appraisal work involved in this transaction has not yet been completed. The financial data, valuation of the target assets, and the pro forma data of the listed company are only preliminary information, and the final results may differ significantly.

(4) Risks associated with adjustments to the transaction plan

The transaction plan has not yet been finalized, and may subsequently be adjusted based on regulatory feedback or the requests of the parties involved. If any material adjustments to the plan are constituted, the relevant review and approval procedures will need to be performed again.

(5) Risks in the implementation of the raising of counterpart funds

This transaction intends to raise counterpart funds; however, whether it can be successfully implemented and the final financing amount are subject to market volatility and investor expectations, and therefore are uncertain. If the funds raised fall short, this may affect the Company's capital arrangements and debt repayment capacity.

2. Risks related to the target company

(1) Market competition risk

The target company has established channels and influence in overseas building materials markets (especially in Africa). However, as market competition intensifies, if it fails to continuously optimize its strategy and promote product innovation, its market share or profits may decline.

(2) Cross-border management risks

The target company operates across multiple countries and continues to expand into new markets. Laws, politics, culture, and market conditions vary significantly among countries; if its global management and control capabilities are inadequate, this may affect the effectiveness of existing operations or the returns on new investments.

(3) International trade and political risks

The target company mainly operates in developing countries such as those in Africa. If major adverse changes occur in local political stability, foreign investment policies, or the trade environment, this may have a negative impact on its operations.

(4) Exchange rate fluctuation risk

The target company's business is settled in foreign currencies, and the exchange rates of the currencies of certain African countries fluctuate significantly. If exchange rates fluctuate beyond expectations, this may result in foreign exchange losses and affect its operating performance.