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Shanxi Installation Group Co., Ltd.
山西省安裝集團股份有限公司

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

(Stock Code: 2520)

VOLUNTARY ANNOUNCEMENT
PROVISION OF GUARANTEE TO A SUBSIDIARY OF THE COMPANY

This announcement is made by Shanxi Installation Group Co., Ltd. (the “**Company**”) on a voluntary basis.

The board of directors (the “**Directors**”) of the Company is pleased to announce that, Jianzhong Shan’an Lide Solid Waste Utilization Technology Company Limited* (晉中山安立德固廢利用科技有限公司) (“**Jianzhong Shan’an Lide**”), a non wholly-owned subsidiary of the Company, and the Jinzhong Jinlun Road branch of China Construction Bank Corporation (中國建設銀行股份有限公司晉中錦綸路支行) (the “**Lender**”) have recently entered into a financing agreement (the “**Financing Agreement**”). Pursuant to the Financing Agreement, the Lender agreed to provide bank financing with a principal sum not exceeding RMB53,100,000 to Jianzhong Shan’an Lide for a term of 10 years, which shall be utilized for the purpose of general working capital of Jianzhong Shan’an Lide (“**Loan Financing**”).

As consideration for the provision of Loan Financing by the Lender in accordance with the Financing Agreement, the Company agreed to provide a corporate joint and several liability guarantee (the “**Corporate Guarantee**”) in favour of the Lender to guarantee part of the principal sum and liabilities of Jianzhong Shan’an Lide under the Financing Agreement, including principal sum not exceeding RMB26,019,000 as well as related interests, compound interests, penalty interests, liquidated damages, compensation, debt interests payable in double during the period for delayed performance of legal documents and fees for the recovery of liabilities under the Financing Agreement.

All terms and conditions of the Financing Agreement and the Corporate Guarantee are arrived upon arm's length negotiation between both parties. The Directors are of the view that the terms of these transactions are fair and reasonable, and are in the interest of the shareholders of the Company as a whole.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Lender and its ultimate beneficial owner are independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")). The entering into the Financing Agreement by Jianzhong Shan'an Lide and the provision of Corporate Guarantee by the Company do not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules, nor constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. The Directors hereby make a voluntary disclosure to inform its shareholders and potential investors of the details of the Financing Agreement and the Corporate Guarantee.

By order of the Board
Shanxi Installation Group Co., Ltd.
山西省安裝集團股份有限公司
Mr. Wang Limin
Chairman and Executive Director

Shanxi, the PRC, 26 August 2024

As at the date of this announcement, the Board of the Company comprises: (i) Mr. Wang Limin, Mr. Ren Rui and Mr. Zhang Yan as executive Directors, (ii) Mr. Xu Guanshi, Mr. Zhang Hongjie, Mr. Mu Jianwei and Mr. Feng Cheng as non-executive Directors; and (iii) Mr. Wang Jingming, Professor Wu Qiusheng, Ms. Shin Chuck Yin and Mr. Guo He as independent non-executive Directors.

* *for identification purpose only*