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King's Stone Holdings Group Limited

金石控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1943)

DISCLOSEABLE TRANSACTION ENTERING INTO THE PARTNERSHIP AGREEMENT

ENTERING INTO THE PARTNERSHIP AGREEMENT

The Board is pleased to announce that, on 16 May 2026, Shenzhen Hengchenyu, a subsidiary of the Company (as a Limited Partner), entered into the Partnership Agreement with Guangdong Xindong Energy (as a General Partner and the Executive Partner), Beijing Guojiao Yinghua (as a General Partner), Beijing Zhaoxuan Electric Power (as a Limited Partner) and Beijing Guojiao Zhongxing (as a Limited Partner) to jointly invest in the Partnership, for a term of ten years. Pursuant to the Partnership Agreement, Shenzhen Hengchenyu agreed to participate in the investment in the Partnership as a Limited Partner, with a capital contribution of RMB10,000,000 (equivalent to approximately HK\$11,500,000). The total capital contribution of the Partnership after the capital increase will be RMB35,600,000, and Shenzhen Hengchenyu will hold 28.09% of the total capital contribution of the Partnership.

The primary investment objective of the Partnership is to invest in new energy projects approved by all Partners and, subject to the Partnership having surplus funds, to engage in other new energy businesses approved by all Partners, so as to achieve optimal economic benefits for the Partnership.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the entering into of the Partnership Agreement is more than 5% but all applicable percentage ratios are less than 25%, the entering into of the Partnership Agreement and the transactions contemplated thereunder constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules, but is exempt from the circular and shareholders' approval requirements.

BACKGROUND

The Board is pleased to announce that, on 16 May 2026, Shenzhen Hengchenyu, a subsidiary of the Company (as a Limited Partner), entered into the Partnership Agreement with Guangdong Xindong Energy (as a General Partner and the Executive Partner), Beijing Guojiao Yinghua (as a General Partner), Beijing Zhaoxuan Electric Power (as a Limited Partner) and Beijing Guojiao Zhongxing (as a Limited Partner) to jointly invest in the Partnership, for a term of ten years. Pursuant to the Partnership Agreement, Shenzhen Hengchenyu agreed to participate in the investment in the Partnership as a Limited Partner, with a capital contribution of RMB10,000,000 (equivalent to approximately HK\$11,500,000). The total capital contribution of the Partnership after the capital increase will be RMB35,600,000, and Shenzhen Hengchenyu will hold 28.09% of the total capital contribution of the Partnership.

Salient Terms of the Partnership Agreement

- Date: 16 May 2026
- Parties:
- (1) Shenzhen Hengchenyu (as a Limited Partner);
 - (2) Guangdong Xindong Energy (as a General Partner and the Executive Partner);
 - (3) Beijing Guojiao Yinghua (as a General Partner);
 - (4) Beijing Zhaoxuan Electric Power (as a Limited Partner); and
 - (5) Beijing Guojiao Zhongxing (as a Limited Partner).
- Capital contribution and payment:
- Upon completion of the capital increase of the Partnership, the total capital contribution shall be RMB35,600,000, with the capital contribution to be made by each Partner as follows:
- (1) Shenzhen Hengchenyu (as a Limited Partner) shall contribute RMB10,000,000, representing 28.09% of the total capital contribution of the Partnership, to be paid in full within 10 business days after the change in the Partnership or by 20 May 2026;

- (2) Guangdong Xindong Energy (as a General Partner and the Executive Partner) shall contribute RMB100,000, representing 0.28% of the total capital contribution of the Partnership, which has been paid in full;
- (3) Beijing Guojiao Yinghua (as a General Partner) shall contribute RMB100,000, representing 0.28% of the total capital contribution of the Partnership, to be paid within 10 business days after the change in the Partnership;
- (4) Beijing Zhaoxuan Electric Power (as a Limited Partner) shall contribute RMB20,400,000, representing 57.30% of the total capital contribution of the Partnership, to be paid in full within 10 business days after the change in the Partnership or by 20 May 2026; and
- (5) Beijing Guojiao Zhongxing (as a Limited Partner) shall contribute RMB5,000,000, representing 14.05% of the total capital contribution of the Partnership, to be paid in full within 10 business days after the change in the Partnership or by 20 May 2026.

The amount of capital contribution to be funded by Shenzhen Hengchenyu was determined by the parties after arm's length negotiations with reference to the expected capital requirements and investment objectives of the Partnership. The Group will finance such capital contribution by its internal resources.

According to applicable accounting standards, after the establishment of the Partnership, the financial results of the Partnership will not be consolidated into the financial statements of the Group.

Investment purpose and scope of business:

The primary objective of the Partnership is to invest in new energy projects approved by all Partners and, subject to the Partnership having surplus funds, to engage in other new energy businesses approved by all Partners, so as to achieve optimal economic benefits for the Partnership.

Duration of the partnership:

The term of the Partnership shall be ten years. The term may be extended or shortened upon unanimous agreement of all Partners through negotiation.

Management:

In accordance with the Partnership Agreement and as unanimously decided by all Partners, Guangdong Xindong Energy shall serve as the Executive Partner, responsible for the daily operation and management of the Partnership and for representing on behalf of the Partnership in executing partnership matters. The duties of the Executive Partner include, but are not limited to: convening Partners' meetings, deciding on and implementing investment projects, signing relevant contracts and agreements on behalf of the Partnership, handling transaction documents related to investment projects, implementing profit distribution arrangements, and handling registration, taxation, litigation, and other administrative matters related to the operation of the Partnership.

The investment in and exit from investment projects shall be considered and decided by all Partners in accordance with the Partnership Agreement, and the relevant investment plans and exit plans may only be implemented upon the unanimous consent of all Partners. Major matters involving the Partnership (including but not limited to providing external guarantees, amending the Partnership Agreement, changing the Executive Partner, admitting new Limited Partners, increasing or decreasing the capital contributions from the Partners, approving the liquidation report, and deciding on exit plans for investment projects) shall also be subject to the unanimous consent of all Partners.

The Executive Partner shall perform its duties in accordance with the Partnership Agreement and within the scope of authorisation granted by all Partners, and shall regularly report to the other Partners on the status of the execution of partnership matters and the operating and financial condition of the Partnership. Unless otherwise provided in the Partnership Agreement, reasonable costs and expenses incurred by the Executive Partner in performance of its duties in good faith within the scope of its authority shall be borne by the Partnership; provided, however, that losses resulting from its gross negligence, wilful misconduct, or violation of laws and regulations shall be excluded.

Limited Partners shall not execute partnership matters and may not represent on behalf of the Partnership, but are entitled to supervise the performance of duties by the Executive Partner in accordance with the law and the agreement.

Management Fee: From the date of establishment of the Partnership until its liquidation and dissolution, the Executive Partner shall be entitled to receive from the Partnership an annual executive partner fee of RMB50,000 for a total period not exceeding 3 years (i.e., not exceeding RMB150,000 in aggregate).

Profit Distribution: After payment of the relevant fees and unpaid expenses to be borne by the Partnership, the distributable income of the Partnership shall be firstly distributed to each Partner in proportion to their paid-in capital contribution, until all partners have fully recovered their capital contributions. After the aforementioned return of capital is completed, any remaining distributable income shall be distributed in the following manner:

Income distributable to the Limited Partners: Seventy per cent (70%) of the remaining income shall be distributed to all Limited Partners. Internal distribution amongst the Limited Partners shall be made in proportion to each Limited Partner's paid-in capital contribution; and

Income distributable to the General Partners: Thirty per cent (30%) of the remaining income shall be distributed to all General Partners. The specific distribution ratio of such income between the two General Partners shall be agreed upon by a separate agreement to be signed by both parties.

Loss Sharing: Any losses of the Partnership shall be shared by all Partners in proportion to their respective paid-in capital contributions. The General Partners shall bear unlimited joint and several liability for the debts of the Partnership, while the Limited Partners shall be liable for the debts of the Partnership to the extent of their respective capital contributions.

Admission and
Withdrawal of
Partners:

In accordance with the provisions of the Partnership Agreement, the admission of a new Partner shall be subject to the unanimous consent of all Partners and the execution of a written admission agreement in accordance with the law. At the time of entering into the admission agreement, the original Partners shall truthfully inform the new Partner of the business and financial status of the Partnership. A newly admitted Partner shall, from the date of admission, enjoy the same rights and bear the same liabilities as the original Partners, in which a newly admitted General Partner shall bear unlimited joint and several liability for the debts of the Partnership incurred prior to its admission, while a newly admitted Limited Partner shall be liable for the debts of the Partnership incurred prior to its admission to the extent of its capital contribution.

If a Partner is subject to a mandatory withdrawal as prescribed by the Partnership Enterprise Law or due to a cause for withdrawal as stipulated in the Partnership Agreement, the withdrawal shall take effect as of the date on which the relevant event actually occurs. If a statutory ground for the expulsion of a Partner arises, such Partner may be expelled by a resolution unanimously adopted by the other Partners, and a written notice shall be served on the expelled Partner; the expelled Partner shall withdraw from the Partnership from the date of receipt of the notice, and any objection to the resolution on its expulsion may be pursued by initiating legal proceedings within the prescribed time limit in accordance with the law. Where a resolution involves the expulsion of a Limited Partner, the right of the Limited Partner to a share of the Partnership's profits accrued prior to withdrawal or the rights to a distribution of the Partnership's assets upon liquidation to which the Limited Partner is entitled by law shall not be affected. Where a Partner is deceased or is legally declared dead, the successor(s) who is entitled to the right to inheritance in accordance with the law may acquire the status of a Partner upon the unanimous consent of all Partners; if such unanimous consent is not obtained, the Partnership shall return the corresponding share of assets to such successor(s) in accordance with the law. After withdrawing from the Partnership, a General Partner shall continue to bear unlimited joint and several liability for the debts of the Partnership arising from causes that existed prior to its withdrawal; while a Limited Partner shall be liable for the debts arising from causes that existed prior to its withdrawal to the extent of the property it received from the Partnership at the time of its withdrawal.

Dissolution and
Liquidation:

The Partnership shall be dissolved upon the occurrence of any of the following events:

- (1) failure to make any foreign investment within six months after the change in the Partnership (unless all Partners unanimously consented to a change of business direction of the Partnership);
- (2) the term of the Partnership expires and the Partners decide not to continue the business;
- (3) the occurrence of an event of dissolution as stipulated in the Partnership Agreement;
- (4) unanimous decision of all Partners to dissolve the Partnership;
- (5) the number of Partners has been below the statutory minimum for more than 30 days;
- (6) the purpose of the Partnership as set forth in the Partnership Agreement has been achieved or has become impossible to achieve;
- (7) its business license is revoked or it is ordered to close down or be deregistered in accordance with the law; or
- (8) other circumstances for dissolution prescribed by laws and administrative regulations.

Upon the dissolution of the Partnership, liquidation shall be conducted in accordance with the provisions of the Partnership Enterprise Law and the Partnership Agreement. All Partners shall serve as liquidator; upon the unanimous consent of all Partners, one or more Partners may be designated, or a third party may be appointed, to serve as liquidator(s) within 15 days after the occurrence of the cause for dissolution. Where the liquidator(s) is still not confirmed within the time limit, any Partner or other interested party may apply to the People's Court to designate a liquidator(s) in accordance with the law.

During the liquidation period, the Partnership shall continue to exist but shall not carry out any business activities unrelated to the liquidation. The liquidator(s) shall be responsible for liquidating the assets of the Partnership, preparing a balance sheet and an inventory of assets, handling outstanding affairs, paying outstanding taxes, settling claims and debts, disposing of remaining assets, and representing on behalf of the Partnership in litigation or arbitration activities. Upon completion of the liquidation, the liquidator(s) shall prepare a liquidation report, which, after being signed and confirmed by all Partners, shall be submitted to the enterprise registration authority for deregistration in accordance with the law.

REASONS FOR AND BENEFITS OF ENTERING INTO THE PARTNERSHIP AGREEMENT

The Group has been actively seeking investment opportunities with potential to broaden the Group's revenue sources and enhance shareholder value. The Partnership focuses on investing in businesses related to the new energy sector. The Board believes that the new energy storage and new energy industries are strongly supported by national policies and possess broad market prospects and growth potential. By participating in the investment in the Partnership, the Group can leverage the expertise and resources of the General Partners and other Partners in the relevant fields to gain exposure to the new energy industry with lower risk, which is in line with the long-term development strategy of the Group.

The Directors are of the view that the Partnership Agreement was entered into on normal commercial terms, the terms of which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

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INFORMATION ABOUT THE PARTIES

The Company and Shenzhen Hengchenyu

The Company is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. The Company is an investment holding company, and the Group is principally engaged in the provision of construction services for the public and private sectors in Hong Kong, including traditional formwork, system formwork and related ancillary works. Recently, the Group has continued to promote the deep integration of its core construction business with intelligent, digital, and green and low-carbon technologies, and gradually expand into the fields of industrial park energy management and smart infrastructure construction and operation.

Shenzhen Hengchenyu, which is a limited liability company established in the PRC and a subsidiary of the Company (a joint venture company in which the Group holds an 80% interest), is principally engaged in intelligent technology and related investment businesses.

Guangdong Xindong Energy

Guangdong Xindong Energy is a limited liability company established in the PRC, primarily engaged in energy storage technology services. Its single largest shareholder is He Dongming, who beneficially owns a 30% interest.

Beijing Guojiao Yinghua

Beijing Guojiao Yinghua is a limited liability company established in the PRC, primarily engaged in investment management and asset management businesses. It is beneficially owned as to 100% by Beijing Guojiao Yinghua Technology Development Co., Ltd. (北京國交英華科技發展有限公司), which is in turn held as to 50%, 30% and 20% by Deshi Yingfei Qianhe (Hainan) Entrepreneur Investment Center No. 1 Partnership (Limited Partnership) (德仕英飛乾和(海南)企業家投資中心一號合夥企業(有限合夥)), Beijing Zhongxing Bohai Supply Chain Management Co., Ltd. (北京中興渤海供應鏈管理有限公司) and Guojiao Beidou (Hainan) Technology Investment Group Co., Ltd. (國交北斗(海南)科技投資集團有限公司), respectively. The ultimate beneficial owner of Beijing Guojiao Yinghua is Hou Hailun.

Beijing Zhaoxuan Electric Power

Beijing Zhaoxuan Electric Power is a limited liability company established in the PRC, primarily engaged in generation, transmission, and supply (distribution) of electricity. It is beneficially owned as to 100% by Beijing Zhaoxuan Energy Technology Co., Ltd. (北京兆瑄能源科技有限公司), which is in turn held as to 40%, 30% and 30% by Yuyan Electric (Hubei) Co., Ltd. (昱延電能(湖北)有限公司), Nuoding Hengchuang Technology (Hainan) Co., Ltd. (諾鼎恒創科技(海南)有限責任公司) and Wuhan Weiyu Energy Technology Partnership (Limited Partnership) (武漢威昱能源科技合夥企業(有限合夥)), respectively. The ultimate beneficial owner of Beijing Zhaoxuan Electric Power is Ma Zhongli.

Beijing Guojiao Zhongxing

Beijing Guojiao Zhongxing is a limited partnership established in the PRC, which is principally engaged in corporate investment management business. Beijing Guojiao Zhongxing is held as to 99% and 1% by Beijing Zhongxing Bohai Supply Chain Management Co., Ltd. (北京中興渤海供應鏈管理有限公司) and Beijing Guojiao Yinghua respectively, and its general partner is Beijing Guojiao Yinghua. The ultimate beneficial owner of Beijing Guojiao Zhongxing is Hou Hailun.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Guangdong Xindong Energy, Beijing Guojiao Yinghua, Beijing Zhaoxuan Electric Power, Beijing Guojiao Zhongxing and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Beijing Guojiao Yinghua”	Beijing Guojiao Yinghua Investment Management Co., Ltd. (北京國交英華投資管理有限公司), a limited liability company established in the PRC and a General Partner
“Beijing Guojiao Zhongxing”	Beijing Guojiao Zhongxing No. 1 Technology Center (Limited Partnership) (北京國交中興一號科技中心(有限合夥)), a limited partnership established in the PRC and a Limited Partner
“Beijing Zhaoxuan Electric Power”	Beijing Zhaoxuan Electric Power Development Co., Ltd. (北京兆瑄電力發展有限公司), a limited liability company established in the PRC and a Limited Partner
“Board”	the board of Directors
“Company”	King’s Stone Holdings Group Limited (金石控股集團有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Director(s)”	the director(s) of the Company
“Executive Partner”	the executive partner of the Partnership, which as at the date of this announcement is Guangdong Xindong Energy
“General Partner(s)”	the general partner(s) of the Partnership
“Group”	the Company and its subsidiaries
“Guangdong Xindong Energy”	Guangdong Xindong Energy Co., Ltd. (廣東芯動能源有限公司), a limited liability company established in the PRC, a General Partner and the Executive Partner
“HK\$”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	third party(ies) independent of and not connected with the Company and its connected persons
“Limited Partner(s)”	the limited partner(s) of the Partnership
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Partners”	collectively, the Limited Partners and the General Partners
“Partnership”	Guangzhou Xindong Changqing Investment Partnership (Limited Partnership) (廣州芯動長擎投資合夥企業(有限合夥)), a limited partnership established in the PRC
“Partnership Agreement”	the Partnership Agreement in respect of Guangzhou Xindong Changqing Investment Partnership (Limited Partnership) dated 16 May 2026 entered into by Shenzhen Hengchenyu, Guangdong Xindong Energy, Beijing Guojiao Yinghua, Beijing Zhaoxuan Electric Power and Beijing Guojiao Zhongxing in relation to the investment in the Partnership
“PRC”	the People’s Republic of China

“RMB”	Renminbi, the lawful currency of the PRC
“Shenzhen Hengchenyu”	Shenzhen Hengchenyu Intelligent Technology Co., Ltd. (深圳恒宸宇智能科技有限公司), a limited liability company established in the PRC, an indirect subsidiary of the Company and a Limited Partner
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board
King’s Stone Holdings Group Limited
He Xin
*Chairman, Chief Executive Officer and
Executive Director*

Hong Kong, 18 May 2026

As at the date of this announcement, the Board comprises Mr. He Xin (Chairman and Chief Executive Officer), Ms. Zeng Jingwen and Ms. Cai Ruoxi as executive Directors; and Mr. Lam Williamson, Mr. Li, Sheung Him Michael and Mr. Yu Kuai as independent non-executive Directors.

In this announcement, RMB has been converted to HK\$ at the rate of RMB1 = HK\$1.15 for illustration purposes only. No representation is made that any amounts in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rates.