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Shanghai REFIRE Group Limited
上海重塑能源集團股份有限公司

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

(Stock Code: 2570)

**PROPOSED ISSUE OF UNLISTED WARRANTS
UNDER SPECIFIC MANDATE**

THE SUBSCRIPTION AGREEMENT

The Board is pleased to announce that on May 21, 2026, the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to issue and the Subscriber has conditionally agreed to subscribe for 10,000,000 Warrants conferring the rights to subscribe for 10,000,000 Warrant Shares at the Exercise Price (subject to adjustments).

The Exercise Price shall equal to 93% of the VWAP of the H Shares as traded on the Stock Exchange on the Trading Day immediately preceding the Exercise Date. The Rejection Price is HK\$27.29, provided that if the terms of the Warrants are adjusted under Adjustment Events, the Rejection Price shall be adjusted using the same methods and formulae in inverse.

SPECIFIC MANDATE

The Warrant Shares (in the event that the Warrants are exercised) will be allotted and issued under the Specific Mandate to be sought from the Shareholders at the EGM.

APPLICATION FOR LISTING

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares on the Stock Exchange.

No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

USE OF PROCEEDS

In consideration of the terms and the pricing mechanism of the Warrants, for illustration purpose only, assuming a minimum of 3,000,000 Warrants (i.e. the Minimum Committed Amount) were exercised at the Rejection Price (i.e. HK\$27.29) (“**Minimum Committed Scenario**”) and assuming all 10,000,000 Warrants were exercised at HK\$283.00, being the highest daily Closing Price during the period from the date of listing of H Shares on the Stock Exchange to the date of this announcement (“**Highest Closing Price Scenario**”), the estimated gross proceeds of the Warrants Issuance will be HK\$81.87 million and HK\$2,830.00 million, respectively.

The net proceeds of the Minimum Committed Scenario and the Highest Closing Price Scenario after deducting all relevant costs and expenses of the Warrants Issuance will be approximately HK\$79.19 million and HK\$2,786.10 million, respectively. The Company intends to use the net proceeds from the Warrants Issuance in the manner detailed in the paragraph headed “Use of Proceeds” in this announcement.

LISTING RULES IMPLICATIONS

Pursuant to Rule 13.36(7) of the Listing Rules, the Company may not issue warrants to subscribe for (i) any new Shares of the Company or (ii) any securities convertible into new Shares of the Company, for cash consideration pursuant to a general mandate given under Rule 13.36(2)(b) of the Listing Rules. Therefore, the Warrant Shares to be issued upon the exercise of the Warrants will be allotted and issued pursuant to the Specific Mandate to be sought from the Shareholders at the EGM.

Pursuant to Rule 15.02(1) of the Listing Rules, the Warrant Shares to be allotted and issued upon exercise of the Warrant must not, when aggregated with all other equity securities remain to be issued on the exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the total issued Shares (excluding treasury Shares) of the Company at the time the Warrant is issued. Options granted under share option schemes which comply with Chapter 17 of the Listing Rules are excluded for the purpose of such limit. The Warrants Issuance is in compliance with Rule 15.02(1) of the Listing Rules.

GENERAL

The EGM will be convened for the Shareholders to consider and, if thought fit, to approve, among other things, the Subscription Agreement and the Deed Poll.

A circular containing, among other things, (i) information relating to the Subscription Agreement, the Deed Poll, the Warrants Issuance and the Specific Mandate which are the subject matters to be put forward to the Shareholders for the purpose of considering, and, if thought fit, passing the special resolution at the EGM relating to the approval of the Subscription Agreement, the Deed Poll and the transactions contemplated thereunder (including the Warrants Issuance and the grant of the Specific Mandate); and (ii) the notice of EGM will be despatched to the Shareholders on the date of this announcement (i.e. May 21, 2026).

Completion of the Warrants Issuance is subject, among other things, to fulfillment of the Conditions Precedent in the Subscription Agreement. As the Warrants Issuance may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the H Shares.

INTRODUCTION

The Board is pleased to announce that on May 21, 2026, the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to issue and the Subscriber has conditionally agreed to subscribe for 10,000,000 Warrants conferring the rights to subscribe for 10,000,000 Warrant Shares at the Exercise Price (subject to adjustments).

Pursuant to the Articles of Association and the relevant laws and regulations in the PRC, the proposed issuance of the Warrant Shares under the Specific Mandate and the Subscription Agreement are subject to the approval of the Shareholders by way of a special resolution at a general meeting and the Company shall complete the CSRC Filings in connection with the Warrants Issuance. A special resolution will hereby be proposed at the EGM for the Shareholders to consider and approve the proposed issuance of the Warrant Shares under the Specific Mandate and the Subscription Agreement.

The Exercise Price shall equal to 93% of the VWAP of the H Shares as traded on the Stock Exchange on the Trading Day immediately preceding the Exercise Date. The Rejection Price is HK\$27.29, provided that if the terms of the Warrants are adjusted under Adjustment Events, the Rejection Price shall be adjusted using the same methods and formulae in inverse.

The Board has carefully considered the historical price fluctuation and the high historical volatility of the H Shares during the review period. The Directors undertook a thorough and comprehensive evaluation of other potential financing alternatives, including, without limitations, traditional bank borrowings, issuance of debt securities, and straight equity placements. Each option was carefully assessed based on key criteria such as cost of capital, approval process time (where applicable), impact on the Company's balance sheet, shareholder dilution, market conditions, and strategic alignment with the Company's long-term objectives. Since the Company has already conducted two rounds of equity placements (i.e. the First Placing and the Second Placing) and the Domestic Shares issuance (i.e. the Subscriptions) previously, and considering the current H Share price and the market demand for the H Shares and that any further equity placements at the current H Share market price in order to meet the high funding needs of the Company will lead to excessive shareholder dilution impact, the Company is of the view that conducting the Warrants Issuance at this stage is a more feasible option than other financing alternatives. Given the high historical volatility of the H Share price, traditional equity placement tends to require a substantial discount to the market price, whereas the Warrants Issuance allows the Company to issue H Shares to the Subscriber at a moderate discount to the prevailing market price immediately prior to the relevant Exercise Date.

In addition, the mechanics of the Warrants dictate that the Warrant Shares will only be issued if the Warrants are exercised in the future at the agreed Exercise Price. By setting the Exercise Price at 93% of the VWAP of the H Shares as traded on the Stock Exchange on the Trading Day immediately preceding the Exercise Date, the Company ensures that any future equity dilution will only occur at a valuation that the Board considers more reflective of the Company's valuation. The nature of the Warrants Issuance staggers exercises from the Subscriber, and therefore minimizes immediate dilution while providing the Company with flexible access to capital to fund its growth projects and capital expenditures as they arise throughout the coming 18 months.

The extreme price fluctuation (from HK\$36.40 to HK\$283.00) indicates a highly unpredictable market environment. Waiting for the share price to fully recover before further equity placement is highly speculative and could deprive the Company of the capital it needs for current operations or strategic initiatives.

Based on the foregoing and that the Company is in continuous needs of new capital injection in light of the industry characteristics, the Board considers the Warrants Issuance at this juncture to be in the interests of the Company and its Shareholders as a whole.

The Subscription Agreement

The principal terms of the Subscription Agreement are summarized as follows:

Date	May 21, 2026
Parties	(i) the Company, as the issuer; and (ii) Macquarie Bank Limited, as the Subscriber
	To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner(s) are Independent Third Parties.
Number of Warrants issuable to the Subscriber	Pursuant to the terms of the Subscription Agreement, 10,000,000 Warrants conferring rights to subscribe for 10,000,000 Warrant Shares shall be issued by the Company to the Subscriber.
Closing	Subject to the satisfaction or waiver (as the case may be) of the Conditions Precedent, the Company shall issue to the Subscriber and the Subscriber shall subscribe and pay for the Warrants on the Closing Date.
Closing Date	No later than five (5) Business Days after the CP Satisfaction Date as determined by the Subscriber.
Exercise Commitment	The Company can declare one committed exercise period (“ Committed Exercise Period ”) by delivering to the Subscriber a two (2) Trading Days’ prior notice (the “ Commencement Notice ”). The Committed Exercise Period is a period of ninety (90) Qualified Trading Days (as defined below) starting on and including the date stated on the Commencement Notice as the date from which the Committed Exercise Period commences, subject to early termination. During the Committed Exercise Period, the Subscriber shall exercise a minimum of 3,000,000 Warrants (“ Minimum Committed Amount ”). If any outstanding Warrants are repurchased or expired or either party has otherwise given a notice of termination pursuant to the terms of the Subscription Agreement during the Committed Exercise Period, or if the Subscriber exercises all of the outstanding Warrants during the Committed Exercise Period, the Committed Exercise Period shall terminate automatically. The Company may also terminate the Committed Exercise Period at any time by written notice to the Subscriber, in which case the Committed Exercise Period shall terminate on the Trading Day that such notice is received by the Subscriber (unless a later date is specified in such notice).

A Trading Day is a “**Qualified Trading Day**” if all of the following requirements are satisfied:

- (a) the Volume Weighted Average Price of the H Shares on such Trading Day is above the Rejection Price;
- (b) the Volume Weighted Average Price of the H Shares on such Trading Day is above 90% of the arithmetic average of the daily Volume Weighted Average Price of the H Shares during the immediately preceding ten (10) Trading Days;
- (c) the number of H Shares traded on-market on such Trading Day is greater than 250,000 Shares (“**Minimum Qualified Volume**”), provided that if the Entitlement (as defined below) is adjusted under Adjustment Events (as defined below), the Minimum Qualified Volume shall be adjusted using the same methods and formulae;
- (d) there are no Warrants that have been exercised, for which the Warrant Shares on exercise of such Warrants have not been delivered in accordance with the terms and conditions of the Warrant set out in the Subscription Agreement;
- (e) there is no occurrence, existence or continuance of any event of default under the Subscription Agreement and the Terms and Conditions on such Trading Day;
- (f) the Subscriber is not in possession of any material non-public information concerning the Company and/or the H Shares as of such Trading Day;
- (g) the Subscriber is not prevented from exercising its right of exercise due to regulatory reasons and is not prevented from trading the H Shares due to any reasons including market disruption;
- (h) the Company has not exercised its right of Exercise Rejection on such Trading Day;
- (i) all of the Company’s representations and warranties as set out in the Subscription Agreement remain true, accurate and correct, and the Subscriber has no reasonable grounds to believe otherwise; and
- (j) such Trading Day is not within a Restriction Period.

Non-Exercise Period

The Company may declare up to five (5) non-exercise periods (each a “**Non-Exercise Period**”) by delivering to the Subscriber a three (3) Trading Days’ prior notice. A Non-Exercise Period cannot be declared when a notice of repurchase of the Warrants has been given by the Company or during any Committed Exercise Period. If a Committed Exercise Period is declared during a Non-Exercise Period, that Non-Exercise Period shall immediately cease and shall not resume after the completion or termination of the Committed Exercise Period. Each Non-Exercise Period may last up to five (5) Trading Days, during which the Subscriber may not issue a notice of exercise (an “**Exercise Notice**”). There shall be at least five (5) Trading Days between each Non-Exercise Period, unless otherwise waived by the Subscriber.

Exercise Rejection

The Company may reject any exercise of the Warrants (“**Exercise Rejection**”) if: the Exercise Price is less than the Rejection Price provided that if the terms of the Warrants are adjusted under Adjustment Events, the Rejection Price shall be adjusted using the same methods and formulae in inverse.

Block Trade

If the Subscriber has determined to transfer in aggregate a number of H Shares (whether Warrant Shares or existing H Shares) equivalent to or greater than 1% of the total outstanding H Shares (as of the relevant time) to a single third-party purchaser through one or more block trades in which the Subscriber is able to identify the purchaser (“**Block Trade(s)**”), the Subscriber shall give prior notice informing the Company of the identity of the prospective purchaser (“**Block Trade Notice**”). The Company may object to such Block Trade(s) in writing (which may be by email) (“**Block Trade Rejection Notice**”) within four hours of its receipt of the Block Trade Notice, upon the receipt of which the Subscriber shall not proceed with the Block Trade(s). If the Subscriber does not receive a Block Trade Rejection Notice to the Subscriber within four hours of Company’s receipt of the Block Trade Notice, the Company shall be deemed to have consented to the Block Trade(s) (unless agreed otherwise between the parties). For the avoidance of doubt, on-market trades for which the Subscriber cannot identify the purchasers are not considered as Block Trades.

Public Float

The Subscriber shall not be entitled to exercise any Exercise Right if the H Shares of the Company held by the public, after the Warrant Shares are issued on the intended exercise of Warrants, would be less than the minimum public shareholding threshold as required under the Listing Rules.

Conditions Precedent

The obligations of the Subscriber to subscribe and pay for the Warrants are conditional on certain Conditions Precedent which include:

- (a) the Subscriber being satisfied with the results of its due diligence investigations with respect to the Company and having obtained all necessary internal approvals to proceed with the transactions contemplated under the Subscription Agreement;
- (b) at the CP Satisfaction Date:
 - (i) the representations and warranties of the Company in the Subscription Agreement being true, accurate and correct at, and as if made on such date;
 - (ii) the Company having performed all of its obligations under the Subscription Agreement to be performed on or before such date; and
 - (iii) there having been delivered to the Subscriber a certificate confirming there is no material adverse change dated as of such date, of a duly authorized officer of the Company to such effect;
- (c) after the date of the Subscription Agreement up to and at the CP Satisfaction Date, there shall not have occurred any change (nor any development or event involving a prospective change), in the condition (financial or otherwise), prospects, results of operations or general affairs of the Company, which, in the opinion of the Subscriber, acting reasonably, is material and adverse in the context of the issue and offering of the Warrants;
- (d) on or prior to the CP Satisfaction Date, there shall have been delivered to the Subscriber copies of all consents and approvals required in relation to the issue of the Warrants and the performance of its obligations under the Subscription Agreement and the Warrants (including the consents and approvals required from the Stock Exchange and the Shareholders);

- (e) on the CP Satisfaction Date, there having been delivered to the Subscriber a certificate confirming the Company is not in breach of or in default under the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which it is a party or to which its property is bound;
- (f) the Stock Exchange having granted approval for listing of, and permission to deal in, the Warrant Shares which may fall to be allotted and issued upon exercise of the Warrants (or the Subscriber being reasonably satisfied that such approval will be granted); and
- (g) on or before the CP Satisfaction Date, there having been delivered to the Subscriber legal opinions issued by legal advisers as to PRC and Hong Kong laws respectively in form and substance satisfactory to the Subscriber.

The Subscriber may, unless prescribed otherwise by the applicable laws and regulations, at its discretion and upon such terms as it thinks fit, waive compliance with the whole or any part of the Conditions Precedent.

The Warrants

The principal terms of the Warrants under the Subscription Agreement are summarized as follows:

Issuer	The Company
Number of Warrants	10,000,000 Warrants
Number of H Shares underlying the Warrants	The number of H Share(s) to be issued on exercise of a Warrant will initially be one (1) (subject to adjustments).

Upon the full exercise of the Warrants at the Exercise Price (and assuming no adjustments are made to the terms of the Warrants under Adjustment Events), 10,000,000 Warrant Shares will be issued and allotted, which represent:

- (i) approximately 16.09% and 10.73% of the Company's existing issued H Shares and total issued Shares, both excluding treasury Shares, as at the date of this announcement, respectively; and
- (ii) approximately 13.86% and 9.69% of the total number of the Company's enlarged H Shares and enlarged total issued Shares, both excluding treasury Shares, by the issuance of Warrant Shares (assuming there will be no change to the total number of Shares in issue between the date of this announcement and up to full exercise of the Warrants), respectively.

The Warrant Shares have (i) an aggregate nominal value of approximately RMB10,000,000 (or HK\$11,459,085.34, calculated based on the central parity rate published by the People's Bank of China on its website as at the date of this announcement: HK\$1 = RMB0.87267 for illustrative purpose), and (ii) a market value of HK\$364 million, based on the closing price of HK\$36.40 per H Share on the date of the Subscription Agreement.

Issue Price

HK\$0.2657 per Warrant

The pricing for Warrants Issuance utilized a Monte Carlo model, one of commonly employed methodologies for the calculation of fair value of warrants, that incorporates various factors such as stock price dynamics, stock liquidity, default probability, issuer choice of timing of non-exercise periods, and issuer buyback decisions, among other inputs.

The deal level model inputs used in the Monte Carlo model are:

Total number of Warrants	10,000,000
Tenor	18 months
Initial Exercise Price	93%
Structuring Fee	1.5%
Exercise Rejection Level	70%
Maximum Daily Exercised Warrants	Not Applicable
Non-exercise Periods	5
Non-exercise Period Length	5 Trading Days
Non-exercise Period Notice	3 Trading Days
Non-exercise Period Minimum Gap	5 Trading Days
Issuer Cancellation Notice	20 Trading Days
Committed Exercise Period	90 Trading Days
Committed Exercise Amount	3,000,000

The rate model inputs used in the Monte Carlo model are:

Initial Spot Price	HK\$36.40
Interest Rate Curve	Varies between 2.32% and 2.83%
Stock Borrow Curve	0%
Volatility	95%
Daily Traded Value	HK\$43,147,280
Price Impact Factor	10%
Hazard Rate	8%
Default Jump	60%

The main deal components affecting the Issue Price are:

- Daily Exercise Value: Average daily trade size optimized for the trade size price impact, time to estimated issuer exercise and relative position of the minimum exercise price.
- Issuer Buyback: Modelled similarly to early exercise in American options, comparing the value of buying back shares against the expected value of continuing with the deal.
- Non-Exercise Periods: The Company may call up to five non-exercise periods with three Trading Days' notice, each lasting up to five trading days.

Exercise Price

In respect of an Exercise Date, the Exercise Price shall equal to 93% of the VWAP of the H Shares as traded on the Stock Exchange on the Trading Day immediately preceding the Exercise Date.

The Rejection Price is HK\$27.29, provided that if the terms of the Warrants are adjusted under Adjustment Events (as defined below), the Rejection Price shall be adjusted using the same methods and formulae in inverse.

This Rejection Price represents:

- (i) a discount of approximately 25.03% over the closing price of HK\$36.40 per H Share as quoted on the Stock Exchange on the date of the signing of the Subscription Agreement;
- (ii) a discount of approximately 28.15% over the average of the closing prices of HK\$37.98 per H Share as quoted on the Stock Exchange for the last five (5) consecutive Trading Days up to and including the date of signing of the Subscription Agreement;

- (iii) a discount of approximately 29.89% over the average of the closing prices of HK\$38.92 per H Share as quoted on the Stock Exchange for the last ten (10) consecutive Trading Days up to and including the date of signing of the Subscription Agreement; and
- (iv) a discount of approximately 25.03% over the closing price of HK\$36.40 per H Share as quoted on the Stock Exchange as at the date of this announcement.

The Exercise Price and the Rejection Price were determined by the Company and the Subscriber through arm's length negotiations having regard to the prevailing market price of the H Shares prior to the date of the Subscription Agreement under the prevailing market conditions.

To ensure alignment with prevailing market conditions and to safeguard the interests of the Company and its Shareholders as a whole, the Exercise Price shall be determined based on the then-current market price(s) of the H Shares at the relevant time. Specifically, the Exercise Price shall be set at 93% of the VWAP of the H Shares as traded on the Stock Exchange on the Trading Day immediately preceding the Exercise Date. This pricing mechanism is designed to ensure that each exercise remains closely aligned with the market value of the H Shares, thereby minimizing pricing discrepancies and enhancing fairness and transparency.

In parallel, the Rejection Price is set at a level that takes into account the volatile nature and trading liquidity of the H Shares since the Company's listing on December 6, 2024. Based on data sourced from Bloomberg and the Stock Exchange, during the review period (from the listing date of the Company to the date of this announcement):

- The closing prices of the H Shares ranged from HK\$36.40 to HK\$283.00 per H Share, representing a price fluctuation of approximately 677.47%.
- The historical volatility of the H Shares during the review period was approximately 91.38%.
- The standard deviation of the daily returns of the H Shares was 5.67%, compared to 1.47% for the Hang Seng Index over the same period.

It is important for the Shareholders to note that the subscription for the Warrants will be based off the prevailing market prices of the H Shares traded on the open market. The Rejection Price does not represent the final Exercise Price per H Share, which will be determined based on actual market conditions at the time of exercise.

The Board considers the Rejection Price of HK\$27.29 to be fair and reasonable for the following reasons:

- (i) As the Warrants feature a floating Exercise Price (set at 93% of the prevailing VWAP), by setting a protective floor at HK\$27.29 (the Rejection Price), the Company retains the absolute right to reject exercises below this price. In the meanwhile, in an upward share price trajectory, the Company would still be able to benefit from raising more equity capital via issuing shares to the Subscriber based on prevailing market price when the share price arises through time.
- (ii) The H Shares are highly susceptible to rapid, deep price swings. A 30% buffer (the inverse of the 70% Exercise Rejection Level), calculated based on the VWAP of H Shares during the 10 Trading Days' period from May 8, 2026 to the date of this announcement, is a commercially necessary and mathematically sound margin. It provides the Subscriber with room to exercise during normal volatility while providing the Company with downside protection during periods of high share price volatility.

Exercise Date	Any Trading Day during the Exercise Period on which the Subscriber delivers to the Company an Exercise Notice together with an amount in cash equal to the Exercise Price.
Exercise Period	Any time from the date on which the Warrants are issued (the “ Issue Date ”) and up to the close of business (at the place where such Warrant is deposited for exercise) on the date falling eighteen (18) calendar months after the Issue Date (the “ Expiry Date ”).
Status of the Warrants	The Warrants (when issued) will constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and will at all times rank <i>pari passu</i> without any preference among themselves and with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Company other than those preferred by statute or applicable law.

Rights and ranking of the Warrant Shares	The Warrant Shares, when issued and fully paid, will rank <i>pari passu</i> and carry the same rights and privileges in all respects as any other class of ordinary share capital of the Company and shall be entitled to all dividends and other distributions declared, paid or made by the Company with a record date falling on or after the respective dates of allotment and issue of the Warrant Shares.
Expiry	The Company shall repurchase any Warrant which has not been exercised by close of business on the business day immediately prior to the Expiry Date, at the Issue Price. Any Warrant which has not been exercised by close of business on the Expiry Date will be cancelled.
Repurchase at the option of the Company	The Company or any subsidiary of the Company may at any time repurchase Warrants at the Issue Price, provided that the Company shall give a twenty (20) Business Days' prior notice to the Subscriber.
Repurchase at the option of the Subscriber	The Subscriber may, by notice to the Company given at any time, request the Company or any subsidiary of the Company to repurchase the Warrants if (a) the VWAP of the H Shares traded on-market for the immediately preceding twenty (20) Trading Days on any Trading Day falls to an amount that is less than HK\$20.1162, being 50% of the VWAP of the H Shares traded on-market for the immediately preceding twenty (20) Trading Days on the Trading Day when the Company makes the first public announcement in respect of the Warrants on the Stock Exchange, which is HK\$40.2324; or (b) the average daily traded value of the H Shares traded on-market for the immediately preceding twenty (20) Trading Days on any Trading Day is less than HK\$8,302,810, being 50% of the average daily traded value of the H Shares traded on-market for the immediately preceding twenty (20) Trading Days on the Trading Day when the Company makes the first public announcement in respect of the Warrants on the Stock Exchange, which is HK\$16,605,621. The Company (or any subsidiary of the Company) shall repurchase the Warrants at the Issue Price within 2 business days upon such request.

Repurchase upon
termination of
the Subscription Agreement

The Company or any subsidiary of the Company shall repurchase the Warrants at the Issue Price within two (2) Business Days upon termination of the Subscription Agreement if the Subscriber terminates the Subscription Agreement upon the occurrence of any of the following circumstances:

- (i) any material breach of, or any event rendering untrue or incorrect in any material respect, any of the warranties and representations contained in the Subscription Agreement or any material failure to perform any of the Company's undertakings or agreements in the Subscription Agreement;
- (ii) any change, or any development involving a prospective change, in local, national or international monetary, financial, political or economic conditions (including any disruption to or restriction on trading generally, or trading in any securities of the Company on any stock exchange or in any over-the-counter market) or currency exchange rates or foreign exchange controls such as would in its view, be likely to prejudice materially (a) the dealings in the Warrants in the secondary market or (b) the exercise of the Warrants or the issuance of Shares or dealings in the Shares, or (c) the Subscriber's or any of its affiliates' ability to hedge its risks or any other financial or business risks in connection with the Warrants or substantially increase the cost for such hedging;
- (iii) any event or series of events (including the occurrence of any local, national or international outbreak or escalation of disaster, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic) as would in its view be likely to prejudice materially (a) the dealings in the Warrants in the secondary market or (b) the exercise of the Warrants or the issuance of Shares or dealings in the Shares;
or
- (iv) any event of default as defined under the terms and conditions of the Warrants (the "**Terms and Conditions**").

Transferability	<p>Warrants may be transferred in whole or in part by lodging the relevant Warrants (with the form of application for transfer in respect thereof duly executed and duly stamped where applicable) at the specified office of the Company provided that (i) any transfer of the Warrants must be made with the prior written consent of the authorized representative of the Company, except that transfer of Warrants to a group company of the Subscriber shall not require any such consent; and (ii) no Warrants shall be transferred to a connected person of the Company or an associate of any connected person of the Company, subject to the conditions below:</p> <p>(a) the Company will not be required to register the transfer of any Warrants (or part thereof) (i) during the period of seven (7) days immediately prior to and ending on the Expiry Date, (ii) in respect of which an Exercise Notice has been delivered; and</p> <p>(b) any transfer will be effected without charge to the holder by the Company, but subject to (i) the person making such application for transfer, paying or procuring the payment of any taxes, duties and other governmental charges payable in connection therewith; (ii) the Company being satisfied with the document(s) of title and/or identity of the person making the request or application; and (iii) such reasonable regulations as the Company may from time to time decide.</p>
Adjustments Events	<p>The number of H Shares to be issued on exercise of a Warrant will initially be one (the “Entitlement”).</p> <p>The Entitlement and the Rejection Price (and in some cases, the Exercise Price) are subject to adjustments events (the “Adjustment Event(s)”) including but not limited to (i) consolidation, subdivision or reclassification of the Shares; (ii) capitalization of profits or reserves; (iii) distributions; (iv) rights issues of Shares or options over Shares; (v) rights issues of other securities; (vi) issues at less than Current Market Price (or its equivalent in Hong Kong dollar); (vii) other issues at less than Current Market Price (or its equivalent in Hong Kong dollar); (viii) modification of rights of exercise etc.; and (ix) other offers to Shareholders. For detailed adjustment mechanism, please refer to Appendix I to the circular of the Company dated May 21, 2026.</p>
Rights of the warrant holders on the liquidation of the Company	<p>The liquidation of the Company constitutes an event of default under the terms and conditions of the Warrants and the Subscription Agreement. Upon the occurrence of an event of default, if the Subscriber is the warrant holder and the Subscriber terminates the Subscription Agreement, the Company or any subsidiary of the Company shall repurchase the Warrants at the Issue Price within two (2) Business Days upon termination of the Subscription Agreement.</p>

SPECIFIC MANDATE

The Warrant Shares (in the event that the Warrants are exercised) will be allotted and issued under the Specific Mandate to be sought from the Shareholders at the EGM.

APPLICATION FOR LISTING

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares on the Stock Exchange.

No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

REASONS FOR AND BENEFITS OF THE WARRANTS ISSUANCE

The Company is a leading hydrogen technology company in China which focuses on the design, development, manufacture and sales of hydrogen fuel cells systems, hydrogen production systems and related components, as well as providing fuel cell engineering and technical services.

The Warrants Issuance is expected to generate approximately HK\$2,830 million (i.e. the Highest Closing Price Scenario (as defined below)) if fully exercised, providing the Company with financial flexibility to support its ongoing investments and expansion efforts. This initiative will strengthen the Group's liquidity and financial position, broadening its Shareholder base, optimizing the capital structure of the Company and supporting the healthy and sustainable development of the Company, the Warrants Issuance will not impose additional interest burden or liquidity pressures on the Company.

The Company believes that entering into the Subscription Agreement with the Subscriber as a leading global financial services provider will introduce a reputable institutional investor to the Company. Additionally, this issuance will strengthen the Company's access to potential international business opportunities, attract additional resources, and expand the Company's global business network.

Financing Alternatives

Before proceeding with the subscription for the Warrants, the Directors undertook a thorough and comprehensive evaluation of other potential financing alternatives. These included, but were not limited to, traditional bank borrowings, the issuance of debt securities, and straight equity placements. Each option was carefully assessed based on key criteria such as cost of capital, approval process time (where applicable), impact on the Company's balance sheet, shareholder dilution, market conditions, and strategic alignment with the Company's long-term objectives.

In view of the Company's current genuine funding needs, which are expected to increase alongside the Company's development and business operations which are capital intensive in nature, the Company will consider a combination of various financing methods to obtain funding in the most economical and efficient manner. The Warrants Issuance offers a blend of strategic and financial advantages for the Company. Working with a leading global financial institution is positive, in the opinion of the Board. Unlike traditional equity placements, warrants enable deferred dilution at a modest discount (i.e. approximately 93% of the VWAP of the H Shares as traded on the Stock Exchange on the Trading Day immediately preceding the Exercise Date), preserve balance sheet strength, and offer the potential for future capital infusion. Moreover, the Warrants Issuance avoids the increase in leverage and the imposition of ongoing interest and repayment obligations typically associated with bank borrowings or debt instruments, thereby enhancing the Company's financial flexibility.

In addition, as disclosed in the section headed "The Subscription Agreement" in this announcement, the Company can declare a Committed Exercise Period of 90 Qualified Trading Days by giving the Subscriber a two Trading Days' prior notice. During this period, the Subscriber is required to exercise at least 3,000,000 Warrants ("**Minimum Committed Amount**") when pre-determined conditions of Qualified Trading Days are satisfied, including, among others, when the H Share price exceeds both the Rejection Price and 90% of the arithmetic average of the daily VWAP during the immediately preceding ten (10) Trading Days.

Such mechanism offers the Company a structured and reliable access to a certain level of funding, with the Subscriber being obligated to exercise at least 3,000,000 Warrants within a defined 90-trading-day window if conditions of Qualified Trading Days are met. This facilitates relatively predictable capital inflow, while the built-in market safeguard, which requires the H Share price to exceed the Rejection Price, helps protect against dilution at unfavorable valuations at the time of exercise.

Having considered the above, the Directors are of the view that the Warrants Issuance enhances financial flexibility without incurring interest expenses, and offers the optimal financing option which is in line with the Company's long-term growth trajectory.

The Directors consider that the terms of the Subscription Agreement were arrived at after arm's length negotiations between the Company and the Subscriber and that the terms of the Subscription Agreement (including the Issue Price, the Exercise Price and the Rejection Price) are fair and reasonable and on normal commercial terms and are in the interests of the Company and its Shareholders as a whole.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Company confirms that neither it nor any of its connected persons has entered into, is proposing to enter into, or has any intention to enter into any agreement, arrangement, understanding or undertaking (whether formal or informal, whether verbal or written, and whether express or implied) with the Subscriber or any of its associates, other than the Subscription Agreement.

USE OF PROCEEDS

In consideration of the terms and the pricing mechanism of the Warrants, for illustration purpose only, assuming a minimum of 3,000,000 Warrants (i.e. the Minimum Committed Amount) were exercised at the Rejection Price (i.e. HK\$27.29) (“**Minimum Committed Scenario**”) and assuming all 10,000,000 Warrants were exercised at the HK\$283.00, being the highest daily Closing Price during the period from the date of listing of H Shares on the Stock Exchange to the date of this announcement (“**Highest Closing Price Scenario**”), the estimated gross proceeds of the Warrants Issuance will be HK\$81.87 million and HK\$2,830.00 million, respectively.

The net proceeds of the Minimum Committed Scenario and the Highest Closing Price Scenario after deducting all relevant costs and expenses of the Warrants Issuance will be approximately HK\$79.19 million and HK\$2,786.10 million, respectively. The Company intends to use the net proceeds from the Warrants Issuance in the following manner: (a) 50% of the net proceeds will be used for the enhancement of the financial structure of the Group by repaying outstanding bank loans and lease liabilities; and (b) 50% of the net proceeds will be used for general corporate purposes which may include (i) financing the Group’s expansion plan in the domestic and international markets and application and commercialization scenarios in both automotive and non-automotive hydrogen energy applications, as well as hydrogen production, with a view to optimizing the Group’s revenue sources; (ii) replenishing the Group’s general working capital to cover operating expenses, such as raw material procurement, production scheduling, and labor costs; and (iii) further investments within the industry by participating in green hydrogen integrated projects and potential strategic investments in order to strengthen the Group’s industrial synergy and core competitiveness. As of the date of this announcement, the Group had outstanding current loans and borrowings of approximately RMB923.78 million and outstanding non-current loans and borrowings of RMB550.54 million. The proposed use of the net proceeds from the Warrants Issuance will not change depending on the level of gross proceeds raised. As of the date of this announcement, there were no specific outstanding bank loans that would be repaid by using the net proceeds because the timing of the exercise of the Warrants depends largely on the market conditions and is subject to the Terms and Conditions and the amount of gross proceeds raised are uncertain at this stage. The Company can only determine which outstanding bank loans to be repaid by using the net proceeds as and when the net proceeds have been received by the Company.

Based on the Highest Closing Price Scenario, the expected proceeds from the Warrants Issuance are anticipated to be fully deployed by December 31, 2028. However, such expected time frame is based on the Board’s best assessment, and is subject to adjustment depending on the amount of the net proceeds generated from the Warrants Issuance, the Company’s future development, market conditions and prevailing business circumstances and capital needs.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

On June 7, 2025, the Company entered into the subscription agreements with Xi'an Gaotou Qiyuan Hard Technology Investment Fund Partnership (Limited Partnership) (西安高投啟源硬科技投資基金合夥企業(有限合夥)) (“**Qiyuan Fund**”) and CNSH Zerun Energy Partnership (Limited Partnership) (蒼南山海澤潤能源合夥企業(有限合夥)) (“**CNSH Zerun**”), respectively, pursuant to which the Company has conditionally agreed to allot and issue, and Qiyuan Fund and CNSH Zerun have conditionally agreed to subscribe for, 352,112 Domestic Shares and 1,619,718 Domestic Shares, respectively, all at the subscription price of RMB142, under the specific mandate sought from the Shareholders at the 2025 second extraordinary general meeting of the Company held on June 26, 2025 (the “**Subscriptions**”). The Subscriptions were completed on December 3, 2025 with net proceeds amounting to approximately RMB272.20 million (the “**Subscriptions Net Proceeds**”). For details of the Subscriptions, please refer to the Company’s announcements dated June 8, 2025, November 18, 2025 and December 3, 2025 and the Company’s circular dated June 8, 2025.

The table below sets forth details of the use of the Subscriptions Net Proceeds as of the date of this announcement:

Intended use of the Subscriptions Net Proceeds	Percentage of Subscriptions Net Proceeds	Allocation of the Subscriptions Net Proceeds before the change (in RMB million)	Amount of the Subscriptions Net Proceeds utilized as of the date of this announcement (in RMB million)	Balance of the Subscriptions Net Proceeds Unutilized as of the date of this announcement (in RMB million)	Intended utilization for unutilized Subscriptions Net Proceeds
For funding a construction project of a research and development (“ R&D ”) center for hydrogen fuel cell systems and hydrogen energy equipment	39.7%	108.0	6.7	101.3	By December 31, 2028
For funding R&D activities in respect of hydrogen fuel cell systems and hydrogen production equipment for applications in diversified scenarios	30.3%	82.5	11.9	70.6	By December 31, 2028
For the Group’s working capital	30.0%	81.7	81.7	-	-
Total	100%	272.2	100.3	171.9	-

As disclosed in the announcements of the Company dated April 24, 2026 and May 15, 2026, the Board has resolved to make adjustments to the intended use of Subscriptions Net Proceeds by reallocating part of the funds originally intended to be used for a construction project of an R&D center for hydrogen fuel cell systems and hydrogen energy equipment in the sum of RMB100.0 million for the replenishment of the Group’s working capital (the “**Proposed Change in Use of Proceeds from the Subscriptions**”).

Pursuant to the articles of association of the Company, the Proposed Change in Use of Proceeds from the Subscriptions are subject to the Shareholders' approval. Therefore, the Proposed Change in Use of Proceeds from the Subscriptions shall become effective upon approval by the Shareholders by way of an ordinary resolution at a general meeting of the Company. Relevant resolution for the Proposed Change in Use of Proceeds from the Subscriptions has been proposed at the annual general meeting of the Company held on May 18, 2026 and has been approved by the Shareholders.

Details of the allocation of the Subscriptions Net Proceeds and the expected utilization timetable are set out in the following table:

Intended use of the Subscriptions Net Proceeds	Percentage of unutilized net proceeds after the change	Allocation after the change <i>(in RMB million)</i>	Intended timetable for use of the unutilized Subscriptions Net Proceeds
For funding a construction project of a research and development (“R&D”) center for hydrogen fuel cell systems and hydrogen energy equipment	0.8%	1.3	By December 31, 2028
For funding R&D activities in respect of hydrogen fuel cell systems and hydrogen production equipment for applications in diversified scenarios	41.0%	70.6	By December 31, 2028
For the Group's working capital	58.2%	100.0	By December 31, 2028
Total	100%	171.9	

On September 25, 2025, the Company entered into a placing agreement (as supplemented by the supplemental placing agreement dated September 26, 2025) with China International Capital Corporation Hong Kong Securities Limited and China Merchants Securities (HK) Co., Limited (the “**Previous Joint Placing Agents**”) in relation to the placing of 563,340 H Shares (the “**First Placing**”) at a placing price of HK\$142 per Share under the General Mandate. The Previous Joint Placing Agents have successfully placed 563,340 H Shares and the First Placing was completed on October 8, 2025 with net proceeds amounting to approximately HK\$78.30 million (after deducting the commission and other relevant costs and expenses of the First Placing). As at the date of this announcement, the Company had fully utilized the net proceeds from the First Placing, where (a) approximately 50% of the net proceeds of the First Placing, or approximately HK\$39.15 million, had been utilized for the enhancement of the financial structure of the Group by repaying outstanding bank loans and lease liability; and (b) approximately 50% of the net proceeds of the Placing, or approximately HK\$39.15 million, had been utilized for general corporate purposes. For details of the First Placing, please refer to the announcements of the Company dated September 25, 2025, September 26, 2025 and October 8, 2025.

On January 17, 2026, the Company entered into a placing agreement with Macquarie Capital Limited (the “**Placing Agent**”) in relation to the placing of 4,536,000 H Shares (the “**Second Placing**”) at a placing price of HK\$58.38 per Share under the General Mandate. The Placing Agent has successfully placed 4,536,000 H Shares and the Second Placing was completed on January 26, 2026 with net proceeds amounting to approximately HK\$258.39 million (after deducting the commission and other relevant costs and expenses of the Second Placing). As at the date of this announcement, the Company had fully utilized the net proceeds from the Second Placing where (a) approximately 50% of the net proceeds of the Second Placing, or approximately HK\$129.20 million, had been utilized for the enhancement of the financial structure of the Group by repaying outstanding bank loans and lease liability; and (b) approximately 50% of the net proceeds of the Placing, or approximately HK\$129.20 million, had been utilized for general corporate purposes. For details of the Second Placing, please refer to the announcements of the Company dated January 18, 2026 and January 26, 2026.

Save as disclosed above, as at the date of this announcement, the Company has not conducted any fundraising activities involving the issue of equity securities in the past twelve months immediately prior to the date of this announcement.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the number of issued Shares is 93,215,641 Shares, comprising 31,084,106 Domestic Shares and 62,131,535 H Shares (excluding treasury Shares).

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) under the Minimum Committed Scenario; and (iii) immediately after the full exercise of the Warrants, assuming that there will be no change in the share capital of the Company from the date of this announcement and up to the Minimum Committed Scenario or the full exercise of the Warrants (as the case may be):

Shareholders	As at the date of this announcement		Under the Minimum Committed Scenario		Immediately after the full exercise of the Warrants	
	Number of Shares	Approximate percentage of Shareholding in the total issued share capital of the Company (%) ⁽¹⁾	Number of Shares	Approximate percentage of Shareholding in the total issued share capital of the Company (%) ⁽¹⁾	Number of Shares	Approximately percentage of shareholding in the total issued share capital of the Company (%) ⁽¹⁾
Domestic Shares						
Core connected persons ⁽²⁾	18,832,775	20.20	18,832,775	19.57	18,832,775	18.24
Other Domestic Shareholders	12,251,331	13.14	12,251,331	12.73	12,251,331	11.87
Sub-total of Domestic Shares	31,084,106	33.35	31,084,106	32.30	31,084,106	30.11
H Shares						
Core connected persons ⁽³⁾	12,439,325	13.34	12,439,325	12.93	12,439,325	12.05
The Subscriber ⁽⁴⁾	–	–	3,000,000	3.12	10,000,000	9.69
Other H Shareholders	49,692,210	53.31	49,692,210	51.64	49,692,210	48.14
Sub-total of H Shares	62,131,535	66.65	65,131,535	67.69	72,131,535	69.88
Total number of Shares	93,215,641	100%	96,215,641	100%	103,215,641	100%

Notes:

- (1) The aggregate of the percentage figures in the table above may not add up to the relevant sub-total or total percentage figures shown due to rounding of the percentage figures to two decimal places.
- (2) Including the Domestic Shares controlled by (i) Mr. LIN Qi, an executive Director, the chairman of the Board and the chief executive officer of the Company, who beneficially holds 5,917,136 Domestic Shares. Mr. LIN Qi is the executive partner of Shanghai Weilan Business Consulting Partnership (Limited Partnership) (上海蔚瀾商務諮詢合夥企業(有限合夥)) (“**Shanghai Weilan**”), Shanghai Weiqing Management Consulting Partnership (Limited Partnership) (上海蔚清管理諮詢合夥企業(有限合夥)) (“**Shanghai Weiqing**”) and Shanghai Weijing Management Consulting Partnership (Limited Partnership) (上海蔚鏡管理諮詢合夥企業(有限合夥)) (“**Shanghai Weijing**”) and is responsible for their respective management. As such, under the Securities and Futures Ordinance (“**SFO**”), Mr. LIN Qi is deemed to be interested in the 3,009,214 Domestic Shares held by Shanghai Weilan, Shanghai Weiqing and Shanghai Weijing. Mr. LIN Qi, Shanghai Weiqing, Shanghai Weilan and Shanghai Weijing comprise the single largest group of Shareholders, further details of which are set out in the prospectus of the Company dated November 28, 2024; (ii) Sinopec Capital Co., Ltd. (中國石化集團資本有限公司) (“**Sinopec Capital**”), a substantial shareholder of the Company, which beneficially holds 8,738,925 Domestic Shares; and (iii) Ms. MA Audrey Jing Nan, an executive Director and a vice president of the Company, who beneficially holds 1,167,500 Domestic Shares.
- (3) Including the H Shares controlled by (i) Mr. LIN Qi, an executive Director, the chairman of the Board and the chief executive officer of the Company, who beneficially holds 5,917,136 H Shares. Mr. LIN Qi is the executive partner of Shanghai Weilan, Shanghai Weiqing and Shanghai Weijing and is responsible for their respective management. As such, under the SFO, Mr. LIN Qi is deemed to be interested in the 3,009,214 H Shares held by Shanghai Weilan, Shanghai Weiqing and Shanghai Weijing. Mr. LIN Qi, Shanghai Weiqing, Shanghai Weilan and Shanghai Weijing comprise the single largest group of Shareholders, further details of which are set out in the prospectus of the Company dated November 28, 2024; (ii) Sinopec Capital, a substantial shareholder of the Company, which beneficially holds 2,912,975 H Shares; and (iii) Ms. MA Audrey Jing Nan, an executive Director and a vice president of the Company, who beneficially holds 600,000 H Shares.
- (4) The Subscriber does not intend to become a long-term shareholder or a substantial shareholder (as defined in the Listing Rules) of the Company and may sell the Warrant Shares from time to time during and after the Exercise Period.

INFORMATION OF THE COMPANY

The Company was incorporated in the PRC as a limited liability company on September 18, 2015 and was converted into a joint stock company with limited liability on September 11, 2020. The H Shares were initially listed on the Main Board of the Stock Exchange on 6 December, 2024. The Company is a leading hydrogen technology company in China which focuses on the design, development, manufacture and sales of hydrogen fuel cells systems, hydrogen production systems and related components, as well as providing fuel cell engineering and technical services.

INFORMATION ON THE SUBSCRIBER

The Subscriber is Macquarie Bank Limited (Australian Business Number. 46 008 583 542), a company incorporated under the laws of Australia and having its registered office at Level 1, 1 Elizabeth Street, Sydney NSW 2000, Australia. Macquarie Bank Limited is a subsidiary of Macquarie Group Limited (Australian Company No. 122 169 279, listed on the Australian Stock Exchange) and is regulated by the Australian Prudential Regulation Authority as an Authorized Deposit-taking Institution. Macquarie Bank Limited provides financial services including asset finance, lending, banking and risk and capital solutions across debt, equity and commodities.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscriber and its ultimate beneficial owners are Independent Third Parties.

LISTING RULES IMPLICATIONS

Pursuant to Rule 13.36(7) of the Listing Rules, the Company may not issue warrants to subscribe for (i) any new Shares of the Company or (ii) any securities convertible into new shares of the Company, for cash consideration pursuant to a general mandate given under Rule 13.36(2)(b) of the Listing Rules. Therefore, the Warrant Shares to be issued upon the exercise of the Warrants will be allotted and issued pursuant to the Specific Mandate to be sought from the Shareholders at the EGM.

Pursuant to Rule 15.02(1) of the Listing Rules, the Warrant Shares to be allotted and issued upon exercise of the Warrant must not, when aggregated with all other equity securities remain to be issued on the exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the total issued Shares (excluding treasury Shares) of the Company at the time the Warrant is issued. Options granted under share option schemes which comply with Chapter 17 of the Listing Rules are excluded for the purpose of such limit. The Warrants Issuance is in compliance with Rule 15.02(1) of the Listing Rules.

GENERAL

The EGM will be convened for the Shareholders to consider and, if thought fit, to approve, among other things, the Subscription Agreement and the Deed Poll.

A circular containing, among other things, (i) information relating to the Subscription Agreement, the Deed Poll, the Warrants Issuance and the Specific Mandate which are the subject matters to be put forward to the Shareholders for the purpose of considering, and, if thought fit, passing the special resolution at the EGM relating to the approval of the Subscription Agreement, the Deed Poll and the transactions contemplated thereunder (including the Warrants Issuance and the grant of the Specific Mandate); and (ii) the notice of EGM will be despatched to the Shareholders on the date of this announcement (i.e. May 21, 2026).

WARNING NOTICE

Completion of the Warrant Issuance is subject, among other things, to fulfillment of the Conditions Precedent in the Subscription Agreement. As the Warrants Issuance may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the H Shares.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“2024 AGM”	the annual general meeting of the Company held on May 19, 2025
“Articles of Association”	the articles of association of the Company, as amended, modified or supplemented from time to time
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday in the PRC or Hong Kong) on which commercial banks are generally open for business throughout their normal business hours in Shanghai and the Central district of Hong Kong
“Closing Date”	a Business Day that is no later than five (5) Business Days after the CP Satisfaction Date as determined by the Subscriber
“Closing Price”	in respect of a H Share for any Trading Day, the closing market price quoted by the Stock Exchange for such Trading Day
“Company”	Shanghai REFIRE Group Limited (上海重塑能源集團股份有限公司), a joint stock company with limited liability incorporated in the PRC, the predecessor of which was Shanghai REFIRE Group Ltd. (上海重塑能源集團有限公司) (formerly known as Hangzhou REFIRE Technology Co., Ltd. (重塑能源科技(杭州)有限公司)), a limited liability company established in the PRC on September 18, 2015, and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2570)
“Condition(s) Precedent”	conditions precedent to the Closing pursuant to the Subscription Agreement as stated in section “Conditions Precedent” in this announcement
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“CP Satisfaction Date”	the date on which all Conditions Precedent are satisfied or waived
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“CSRC Filings”	the CSRC Filing Report (including any amendments, supplements and/or modifications thereof) and any relevant supporting materials
“CSRC Filing Report”	the filing report in relation to the Warrants Issuance and any transactions contemplated by the Subscription Agreement to be filed with the CSRC

“Current Market Price”	in respect of a Share on a particular date, the VWAP of one H Share on the trading day immediately preceding such date
“Deed Poll”	a form of instrument to be executed by the Company in respect of 10,000,000 Warrants
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, which are subscribed for in Renminbi
“EGM”	an extraordinary general meeting of the Company to be held to approve the Subscription Agreement, the Deed Poll and the transactions contemplated thereunder (including the Warrants Issuance and the grant of the Specific Mandate)
“Exercise Date”	any date that a holder of a Warrant submits an irrevocable notice of exercise in respect of a Warrant to the Company
“Exercise Price”	93% of the VWAP of the H Shares as traded on the Stock Exchange on the Trading Day immediately preceding the Exercise Date
“Exercise Right”	the right of a holder of a Warrant to purchase a H Share pursuant to the Terms and Conditions
“Expiry Date”	the day on which the Warrants expire, being 18 months after the Issue Date
“Fair Market Value”	with respect to any asset, security, option, warrant or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by the Calculation Agent, provided that (i) the fair market value of a cash dividend paid or to be paid per H Share shall be the amount of such cash dividend per H Share determined as at the date of announcement of such dividend; (ii) where options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by the Calculation Agent) the fair market value of such options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five (5) trading days on the relevant market commencing on the first such trading day such options, warrants or other rights are publicly traded
“General Mandate”	the general mandate granted by a resolution passed at the 2024 AGM to the Board to allot, issue and deal with new Shares not exceeding 20% of the total number of Shares in issue (excluding treasury Shares (if any)) as at the date of passing of the resolution, that is a total of 17,232,494 Shares
“Group”	our Company and all of its subsidiaries, or any one of them as the context may require

“H Share(s)”	overseas listed ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and their respective associates
“Issue Date”	the date on which the Warrants are issued
“Issue Price”	HK\$0.2657
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended and/or supplemented from time to time
“PRC” or “China”	the People’s Republic of China which, for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Rejection Price”	HK\$27.29
“Restriction Period”	any period of time specified in Rule A.3 of Appendix C3 (Model Code for Securities Transactions by Directors of Listed Issuers) to the Listing Rules, as amended and/or supplemented from time to time in relation to the restriction on the directors’ dealing in securities of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	collectively, the Domestic Share(s) and the H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate to be granted by the Shareholders to the Directors at the EGM for the allotment of the Warrant Shares (in the event that the Warrants are exercised)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber” or “Macquarie” or “Calculation Agent”	Macquarie Bank Limited, a company incorporated under the laws of Australia (ABN 46 008 583 542)
“Subscription Agreement”	the subscription agreement entered into between the Company and the Subscriber on May 21, 2026 in relation to the subscription for the Warrants by the Subscriber
“Terms and Conditions”	the terms and conditions of the Warrants set out in the Subscription Agreement

“Trading Day”	a day when the Stock Exchange is open for dealing business, provided that if no closing price is reported for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days
“Volume Weighted Average Price” or “VWAP”	in respect of the H Shares in relation to a period, the volume weighted average price of the H Shares traded on the Stock Exchange, as published by Bloomberg, for the period commencing at the regular time for the opening of trading on the Stock Exchange on the first Trading Day of such period and ending at the closing time of the Stock Exchange (including the closing auction session, if any) on the last Trading Day of such period (provided that if any corporate action or other analogous event has occurred with respect to the H Shares during such period and an adjusted price accounting for such event is shown on Bloomberg, such adjusted price shall be used). For the avoidance of doubt, in the case of volume weighted average price in respect of a single day, the last Trading Day would be same as the first Trading Day
“Warrants”	10,000,000 warrants conferring rights to purchase 10,000,000 (subject to adjustment upon occurrence of certain events in accordance with the Terms and Conditions) Warrant Shares to be issued by the Company to the Subscriber, pursuant to the terms and conditions of the Subscription Agreement and the Deed Poll
“Warrants Issuance”	the proposed issuance of the Warrants by the Company
“Warrant Share(s)”	up to 10,000,000 (subject to adjustment upon occurrence of certain events in accordance with the Terms and Conditions) new H Shares to be allotted and issued upon exercise of the subscription rights attaching to the Warrants under the Subscription Agreement and the Deed Poll
“%”	per cent.

* *For identification purpose only*

By Order of the Board
Shanghai REFIRE Group Limited
Mr. LIN Qi
Chairman of the Board

Hong Kong, May 21, 2026

As at the date of this announcement, the Board comprises Mr. LIN Qi, Dr. HU Zhe, Ms. MA Audrey Jing Nan, Dr. ZHAI Shuang and Mr. ZHAO Yongsheng as executive Directors, Mr. LIU Huiyou as non-executive Director, and Mr. LI Wei, Dr. QIAN Meifen and Mr. CHEN Fei as independent non-executive Directors.