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綠色動力  
DYNAGREEN

綠色動力環保集團股份有限公司  
**Dynagreen Environmental Protection Group Co., Ltd.\***  
*(a joint stock limited liability company incorporated in the People's Republic of China)*  
**(Stock Code: 1330)**

**SUPPLEMENTAL ANNOUNCEMENT IN RELATION  
TO THE ANNUAL REPORT FOR THE YEAR  
ENDED 31 DECEMBER 2022  
AND  
ANNOUNCEMENT IN RELATION TO  
CHANGE IN USE OF PROCEEDS**

Reference is made to the annual report for the year ended 31 December 2022 (the “**Year**”) of Dynagreen Environmental Protection Group Co., Ltd.\* (the “**Company**”, together with its subsidiaries, the “**Group**”) published on 19 April 2023 (the “**2022 Annual Report**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the 2022 Annual Report.

**USE OF PROCEEDS FOR THE YEAR ENDED 31 DECEMBER 2022**

As disclosed in the 2022 Annual Report and the Offering Document (the “**Offering Document**”) of the Public Issuance of Convertible Corporate Bonds by Dynagreen Environmental Protection Group Co., Ltd.\*, on 25 February 2022, the Company issued a total of 23.6 million A share convertible corporate bonds at par with a nominal value of RMB100 each. The total amount of proceeds amounted to RMB2,360 million, and the net proceeds amounted to approximately RMB2,345 million.

As at 31 December 2022, the Group had utilized approximately RMB1,717.81 million of the net proceeds and the unutilized net proceeds amounted to approximately RMB626.96 million. As at 31 December 2022, the net proceeds had been utilized as follows:

Use of proceeds	Proposed use of proceeds according to the Offering Document	Proposed use of net proceeds  (RMB million)	Amount of net proceeds utilized during the Year	Unutilized amount of net proceeds as at 31 December 2022
Dengfeng Project	150.0000	150.0000	150.0000	0
Enshi Project <sup>1</sup>	400.0000	400.0000	301.3712	98.6288
Shuozhou Project <sup>2</sup>	440.0000	440.0000	224.7230	215.2770
Wuhan Phase II Project <sup>3</sup>	480.0000	480.0000	317.5943	162.4057
Huludao Waste-to-energy Project <sup>4</sup>	320.0000	320.0000	169.3553	150.6447
To supplement working capital and repay bank loans	570.0000	554.7664	554.7664	0
<b>Total</b>	<b>2,360.0000</b>	<b>2,344.7664</b>	<b>1,717.8102</b>	<b>626.9562</b>

1. It was expected that Enshi Project would be put into operation in September 2022. It is estimated that the proceeds would be utilized within one year after the project has been put into operation.
2. It was expected that Shuozhou Project would be put into operation in March 2023. It is estimated that the proceeds would be utilized within one year after the project has been put into operation.
3. It was expected that Wuhan Phase II Project would be put into operation in June 2023. It is estimated that the proceeds would be utilized within one year after the project has been put into operation.
4. It was expected that Huludao Waste-to-energy Project would be put into operation in June 2023. It is estimated that the proceeds would be utilized within one year after the project has been put into operation.

During the year ended 31 December 2022, the proceeds were used according to the intentions previously disclosed in the Offering Document. As disclosed in the 2022 Annual Report, the timeline for putting Shuozhou Project into operation was extended to the end of March 2023, and the timeline for putting Huludao Waste-to-energy Project into operation was extended to the end of June 2023. For details, please refer to the Announcement on the Delay of Certain Projects Funded by Proceeds from Convertible Bonds as disclosed by the Company on 1 February 2023 on the Stock Exchange.

Save as disclosed in this announcement, all other information in the 2022 Annual Report remains unchanged.

## CHANGE IN USE OF PROCEEDS

### New allocation of the unutilized net proceeds

As at 30 June 2023, the unutilized amount of net proceeds is approximately RMB432.03 million. In view of the reasons stated in the section headed “Reasons for and benefits of the change in use of proceeds” of this announcement, the board of directors of the Company (the “**Board**”) has resolved and approved the reallocation of the unutilized net proceeds. Details of the new allocation of the unutilized net proceeds are listed as follows:

Use of proceeds	Proposed use of net proceeds	Amount of net proceeds utilized as at 30 June 2023 <i>(RMB million)</i>	Unutilized amount of net proceeds as at 30 June 2023	New allocation of unutilized amount of net proceeds
Dengfeng Project	150.0000	150.0000	0	0
Enshi Project	400.0000	325.0308	74.9692	33.6322
Shuozhou Project	440.0000	247.5304	192.4696	95.6852
Wuhan Phase II Project	480.0000	423.9067	56.0933	157.9348
Huludao Waste-to-energy Project	320.0000	211.5009	108.4991	144.7790
To supplement working capital and repay bank loans	554.7664	554.7664	0	0
<b>Total</b>	<b>2,344.7664</b>	<b>1,912.7352</b>	<b>432.0312</b>	<b>432.0312</b>

### Reasons for and benefits of the change in use of proceeds

As at 30 June 2023, the proceeds originally allocated to Dengfeng Project had been utilized as planned, and the payment had been made according to the relevant contracts. Part of the final payment for Enshi Project and Shuozhou Project had not yet been made. After deduction of the pending payment for the construction, Enshi Project is expected to have an estimated savings of originally allocated proceeds of approximately RMB41.34 million while Shuozhou Project is expected to have an estimated savings of originally allocated proceeds of approximately RMB96.78 million. The estimated savings of originally allocated proceeds will be approximately RMB138.12 million in total.

Given that Dengfeng Project, Enshi Project and Shuozhou Project have reached the intended useable status, in order to better utilize the fund-raising benefits and improve the efficiency of fund-raising and taking into account of the construction status, the Company intends to apply the remaining proceeds originally allocated to Enshi Project and Shuozhou Project amounting to approximately RMB138.12 million to Wuhan Phase II Project and Huludao Waste-to-energy Project. Approximately RMB101.84 million is expected to be applied to Wuhan Phase II Project and approximately RMB36.28 million is expected to be applied to Huludao Waste-to-energy Project. Huludao Waste-to-energy Project and Wuhan Phase II Project have been put into operation in May 2023 and June 2023 respectively, but there are still some finishing works and defect rectification works. The above remaining proceeds will be utilized for the capital expenditure of Huludao Waste-to-energy Project and Wuhan Phase II Project.

The change in use of proceeds is a reasonable adjustment made by the Company based on the actual status of the Company's projects funded by the proceeds, which is conducive to improve the efficiency of use of proceeds.

The Board is of the view that the reallocation of the unutilized amount of net proceeds is fair and reasonable, is in the best interest of the Company and its shareholders, and will not have a material adverse impact on the Group's existing business operations.

Save for the aforesaid changes, there is no other change in the use of the net proceeds.

By Order of the Board  
**Dynagreen Environmental Protection Group Co., Ltd.\***  
**Qiao Dewei**  
*Chairman*

Shenzhen, the PRC  
11 August 2023

*As of the date of this announcement, the executive directors of the Company are Mr. Qiao Dewei, Ms. Zhong Xia and Mr. Hu Shengyong; the non-executive directors of the Company are Mr. Liu Shuguang, Mr. Yue Peng and Mr. Tong Xiangyu; and the independent non-executive directors of the Company are Ms. Fu Jie, Mr. Xie Lanjun and Mr. Zhou Beihai.*

\* *For identification purposes only*