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Hainan Drinda New Energy Technology Co., Ltd.
海南鈞達新能源科技股份有限公司
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02865)

INSIDE INFORMATION

SHAREHOLDER RETURNS PLAN FOR NEXT THREE YEARS (2026–2028)

This announcement is made by Hainan Drinda New Energy Technology Co., Ltd. (the "**Company**") pursuant to Rules 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). In the event of any discrepancy between the Chinese and the English versions, the Chinese version shall prevail.

To perfect and improve the profit distribution mechanism of the Company, establish a scientific, sustainable and stable dividend policy, and protect the interests of all shareholders of the Company in accordance with the relevant laws, regulations and normative documents such as the Guidelines for the Supervision of Listed Companies No. 3 – Cash Dividends of Listed Companies (《上市公司監管指引第3號－上市公司現金分紅》), the Self-Regulatory Guidelines for Listed Companies of Shenzhen Stock Exchange No. 1 – Standardized Operation of Listed Companies on the Main Board (《深圳證券交易所上市公司自律監管指引第1號－主板上市公司規範運作》) published by China Securities Regulatory Commission, and the provisions of the Articles of Association of the Company (the "**Articles of Association**"), and in light of the actual situation of the Company, the Shareholder Returns Plan of Hainan Drinda New Energy Technology Co., Ltd. for Next Three Years (2026–2028) (the "**Plan**") is hereby formulated. The details of which are as follows:

I. FACTORS CONSIDERED IN FORMULATING THE PLAN

The Company's formulation of the Plan is to focus on the long-term and sustainable development of the Company. On the basis of a comprehensive analysis of the factors such as the actual situation of the Company's operation and development, shareholders' demands and wishes, cost of social capital, and external financing environment, the Plan fully considers the Company's strategic development plan and its stage of development, its current and future profitability and scale, its cash flow position, its operating capital requirements, and bank credit and debt financing environment, with a view to establishing a sustainable, stable and scientific returns plan and mechanism for investors, and ensuring the continuity and stability of the profit distribution policy.

II. PRINCIPLES FOR FORMULATING THE PLAN

In formulating or adjusting the plan for shareholder returns, the Company strictly complies with the relevant provisions on profit distribution policy as stipulated in laws, regulations, and normative documents such as the Company Law of the People's Republic of China (《中華人民共和國公司法》) and the Articles of Association. Under the premise of sustainable operation and long-term development, the Company implements a scientific, sustainable and stable profit distribution policy, emphasizing on reasonable investment returns for all investors, especially small and medium investors. The Company's board meeting and general meeting shall fully solicit the opinions of shareholders (particularly small and medium shareholders) and independent directors during the research, discussion, and decision-making process of the profit distribution policy. Adhering to the premise of sustainable operation and normal business development, the Company steadfasts on the basic principle of cash dividend as the primary method of distribution.

III. SHAREHOLDER RETURNS PLAN FOR NEXT THREE YEARS (2026–2028)

(I) Basic Principles of Profit Distribution Policy

1. The Company shall give full consideration to the returns for investors and distribute dividends to shareholders each year based on the prescribed percentage of the distributable profits of the Company's consolidated financial statements for that year.

2. The Company's profit distribution policy shall maintain its continuity and stability, while also taking into account the Company's long-term interests, the overall interests of all shareholders, and the Company's sustainable development.

3. The Company shall give priority to adopt cash dividends as the method of profit distribution.

(II) Specific Profit Distribution Policy

1. Forms of Profit Distribution

The Company may distribute dividends in the form of cash, stock, or a combination of cash and stock. Where conditions permit, the Company may distribute interim profits.

2. Specific Conditions and Ratios for Cash Dividends

Except under special circumstances, the Company shall distribute dividends in cash for a year when it is profitable and its accumulated undistributed profits are positive. The profits distributed in cash each year shall be not less than 10% of the distributable profits of the Company's consolidated financial statements for that year.

Special circumstances refer to:

(1) The Company has major investment plans or significant cash expenditure events (excluding projects funded by raised proceeds), meaning that the cumulative expenditure for proposed external investments, fixed asset investments, asset acquisitions, or purchases of equipment or services within the next twelve months reaches or exceeds 50% of the Company's latest audited net assets;

(2) The unaudited gearing ratio at the end of the year exceeds 70%;

(3) The cumulative distributable profit per share for the year is less than RMB0.1.

The Board of Directors may also propose interim dividend distribution based on the Company's profit scale, cash flow position, and capital requirements for the current period.

3. The Board of Directors shall comprehensively consider factors such as the characteristics of the industry in which the Company operates, its stage of development, its business model, its profitability, its debt repayment capacity, and whether there are any major capital expenditure arrangements, and investor returns. Based on these considerations, the Board shall distinguish the following scenarios and propose a differentiated cash dividend policy in accordance with the procedures stipulated in the Articles of Association:

(1) If the Company is in a matured stage of development and has no major capital expenditure arrangements, the proportion of cash dividends distributed in such profit distribution shall be no less than 80%;

(2) If the Company is in a matured stage of development but has major capital expenditure arrangements, the proportion of cash dividends distributed in such profit distribution shall be no less than 40%;

(3) If the Company is in a growth stage of development and has major capital expenditure arrangements, the proportion of cash dividends distributed in such profit distribution shall be no less than 20%;

If the Company's stage of development is difficult to distinguish but it has major capital expenditure arrangements, the provisions of the preceding paragraph shall apply.

4. Specific Conditions for Distributing Stock Dividends

When the Company's operations are performing well and the Board of Directors considers that the Company's share price does not match the scale of its share capital, and distributing stock as dividends would be beneficial to the overall interests of all shareholders, the Board may propose a plan for distributing stock as dividends, provided that the aforementioned conditions for cash dividends are also met.

The Company may refrain from distributing profits if the audit report for the most recent year contains a non-unqualified opinion, or includes an unqualified opinion with a material uncertainty section related to going concern, or under other circumstances stipulated by laws, regulations, or the securities regulatory rules of the place where the Company's shares are listed.

(III) Review Procedures for the Company's Profit Distribution Plan:

1. The Company's profit distribution plan shall be drafted at the General Manager Office Meeting and then submitted to the Board of Directors and the Audit Committee for review. The Board of Directors shall fully discuss the reasonableness of the profit distribution plan and, upon forming a special resolution, submit it to the general meeting for consideration. When the Company convenes its annual general meeting to consider the annual profit distribution plan, it may also review and approve the conditions, upper limit of the ratio, upper limit of the amount, etc., for interim cash dividends for the following year. The upper limit for interim dividends for the following year considered and approved at the annual general meeting shall not exceed the net profit attributable to the Company's shareholders for the corresponding period. The Board of Directors shall formulate a specific interim dividend scheme in accordance with the general meeting resolution and subject to the conditions for profit distribution being met.

2. When drafting the relevant proposals for the profit distribution plan, the Board of Directors shall earnestly study and give reasoning such as the timing, conditions, and minimum ratio of the Company's cash dividends, as well as the conditions for adjustment and the requirements for its decision-making procedures. If the independent directors are of the view that a specific cash dividend proposal may prejudice the interests of the Company or small and medium shareholders, they have the right to express an independent opinion. If the Board of Directors does not adopt, or does not fully adopt, the opinions of the independent directors, the latter and the specific reasons for not adopting them shall be recorded in the board resolution and disclosed accordingly.

3. When the general meeting considers the profit distribution plan, it shall proactively communicate and exchange views with the shareholders, especially small and medium shareholders, through various channels (including but not limited to providing online voting, inviting small and medium shareholders to attend the meeting, etc.), fully listen to their opinions and demands, and promptly answer questions of concern from small and medium shareholders.

4. If the Company does not distribute cash dividends due to special circumstances, the Board of Directors shall provide a special explanation on matters such as the specific reasons for not distributing cash dividends, the exact use of the Company's retained earnings, expected investment returns, and the next steps to be taken to enhance investor returns. This explanation shall be submitted to the general meeting for consideration and disclosed on the media designated by the Company.

(IV) Implementation of the Company's Profit Distribution Plan

After the general meeting has resolved the profit distribution plan, or after the Board of Directors has formulated a specific plan based on the conditions and upper limit for interim dividends for the following year approved at the annual general meeting, the distribution of dividends (or shares) shall be completed within two months.

(V) Changes to the Company's Profit Distribution Policy

In the event of force majeure events such as war or natural disasters, or changes in the Company's external operating environment that have a significant impact on the Company's production and operations, or when the Company's own operating conditions undergo significant changes, the Company may adjust its profit distribution policy.

Any adjustment to the Company's profit distribution policy shall be subject to a special discussion by the Board of Directors, which shall provide a detailed argumentation of the reasons for the adjustment. A written argumentation report shall be prepared and submitted to the general meeting for consideration.

IV. FORMULATION CYCLE AND DECISION-MAKING MECHANISM OF THE PLAN

(I) Formulation Cycle of the Plan

The cycle for formulating the Plan of the Company is three years, after giving comprehensive consideration of the key factors such as the characteristics of the relevant industry, the Company's strategic development objectives, stage of development, actual operating conditions, current and future profitability, cash flow position, external financing environment, and shareholder returns.

In the event of force majeure events such as war or natural disasters, or significant changes in the Company's external operating environment that have a major impact on its production and operations, or substantial changes in the Company's own operating conditions, or if the existing specific Plan affects the Company's sustainable operations, and if it is indeed necessary to adjust the Plan, the Company may formulate a new Plan for next three years in accordance with the principles for formulating the Plan.

(II) Decision-Making Mechanism of the Plan

The Plan shall be formulated by the Board of Directors, taking into consideration the Company's operating conditions, development plan, shareholder returns, and other factors, as well as the provisions of relevant laws, regulations and the Articles of Association. The Plan may also be revised in a timely and reasonable manner according to the changes in market conditions and the Company's actual circumstances, ensuring that its contents do not violate the relevant laws and regulations or the profit distribution policy established in the Articles of Association. The formulation and revision of the Shareholder Returns Plan must be reviewed by the Board of Directors and then submitted to the general meeting for approval.

V. VALIDITY OF THE SHAREHOLDER RETURNS PLAN

(I) For matters not covered in the Plan, they shall be implemented in accordance with the relevant laws, administrative regulations, administrative rules, normative documents, and the Articles of Association.

(II) If any provision of the Plan contradicts with relevant national laws, administrative regulations, or normative documents, and the Articles of Association, the provisions of such national laws, administrative regulations, or normative documents, and the Articles of Association shall prevail.

(III) The Company's Plan for next three years shall be construed and revised by the Board of Directors. The Plan shall become effective and be implemented upon the approval at the general meeting, and the same shall apply to any revisions.

By order of the Board
Hainan Drinda New Energy Technology Co., Ltd.
Mr. Lu Xuyang
Chairperson of the Board, Executive Director

Hong Kong, March 30, 2026

As of the date of this announcement, the Board comprises Mr. Lu Xuyang, Mr. Zhang Manliang and Mr. Zheng Hongwei as executive directors; Mr. Xu Xiaoping and Mr. Xu Yong as non-executive directors; Ms. Zheng Hong as employee representative director; and Dr. Shen Wenzhong, Dr. Mao Xiaoying, Mr. Ma Shuli, and Mr. Zhang Liang as independent non-executive directors.