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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 CHANGE IN USE OF PROCEEDS FROM THE GLOBAL OFFERING; AND PROPOSED CHANGE IN USE OF PROCEEDS FROM THE SUBSCRIPTIONS

References are made to (i) the prospectus of Shanghai REFIRE Group Limited (the "**Company**" together with its subsidiaries, the "**Group**") dated November 28, 2024 (the "**Prospectus**") in relation to the global offering of the Company (the "**Global Offering**"); (ii) the circular of the Company dated June 8, 2025 (the "**Circular**") in relation to, among other things, the proposed issuance of Domestic Shares under Specific Mandate and the Subscription Agreements (the "**Subscriptions**"); and (iii) the annual results announcement of the Company for the year ended December 31, 2025 (the "**2025 Annual Results Announcement**") in relation to, among other things, the details of the utilization of net proceeds from the Global Offering and the Subscriptions, respectively, as of December 31, 2025. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Prospectus and the Circular.

In order to enhance the efficiency of the utilization of proceeds, the Board has resolved to make adjustments to (i) the intended use of net proceeds from the Global Offering by reallocating part of the funds originally intended to be used for R&D activities and production capacity expansion of the Group's hydrogen fuel cell systems and for production capacity expansion of the Group's hydrogen production systems in the sum of HK$200.0 million for the replenishment of the Group's working capital (the "**Proposed Change in Use of Proceeds from the Global Offering**"); and (ii) the intended use of net proceeds from the Subscriptions 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 Global Offering and the Proposed Change in Use of Proceeds from the Subscriptions are subject to the Shareholders' approval. Therefore, the proposed changes shall become effective upon approval by the Shareholders by way of ordinary resolutions at a general meeting of the Company. Relevant resolution(s) for the proposed changes will be proposed at the forthcoming annual general meeting of the Company to be held on May 18, 2026 (the "**AGM**").

(A) PROPOSED CHANGE IN USE OF PROCEEDS FROM THE GLOBAL OFFERING

As disclosed in the Prospectus and the 2025 Annual Results Announcement, the Group's net Proceeds from the Global Offering were approximately HK$623.3 million. As of March 31, 2026, the net proceeds of approximately HK$321.3 million have been utilized, and approximately HK$302.0 million remains unutilized. The details of the allocation of net proceeds from the Global Offering and the net proceeds utilized and unutilized as of March 31, 2026 are set out in the following table:

Intended use	Percentage of net proceeds	Allocation before the change *(in HK$ million)*	Utilized as of March 31, 2026 *(in HK$ million)*	Unutilized as of March 31, 2026 *(in HK$ million)*	Intended utilization timetable for unutilized net proceeds
To fund R&D activities and production capacity expansion of the Group's hydrogen fuel cell systems	**74.5%**	**464.4**	**268.5**	**195.9**	**By December 31, 2028**
R&D activities of power-efficient and cost-effective hydrogen fuel cell systems and related key components	4.9%	**30.8**	**30.8**	**–**	**By December 31, 2028**
– R&D activities of power-efficient and cost-effective hydrogen fuel cell systems and related key components	2.9%	**17.9**	17.9	**–**	**By December 31, 2028**
– next-generation high power fuel cell systems	0.2%	**1.1**	1.1	**–**	**By December 31, 2028**
– high-efficiency stationary power generation fuel cell stacks	1.9%	**11.8**	11.8	**–**	**By December 31, 2028**
Expansion of the Group's production capacity of components for hydrogen fuel cell systems	69.6%	**433.6**	**237.7**	**195.9**	**By December 31, 2028**
– construction of production facilities for fuel cell stacks and MEAs	48.1%	**300.0**	230.9	**69.1**	**By December 31, 2028**
– construction of production facilities for bipolar plates	21.4%	**133.6**	6.8	**126.8**	**By December 31, 2028**
Production capacity expansion of the Group's hydrogen production systems	**15.3%**	**95.3**	**11.3**	**84.0**	**By December 31, 2027**
– production expansion of PEM water electrolysis hydrogen production systems	7.2%	**44.7**	–	**44.7**	**By December 31, 2027**
– production expansion of ALK electrode	4.9%	**30.4**	0.1	**30.3**	**By December 31, 2027**
– development of hydrogen production power sources	3.2%	**20.2**	11.2	**9**	**By December 31, 2027**
Expansion of the Group's overseas market footprint	**7.7%**	**48.0**	**25.9**	**22.1**	**By December 31, 2028**
– provision of after-sales services for overseas market	5.8%	**36.4**	15.8	**20.6**	**By December 31, 2028**
– team building	1.9%	**11.6**	10.1	**1.5**	**By December 31, 2028**
Working capital and general corporate purposes	**2.5%**	**15.6**	**15.6**	**–**	**–**
Total	**100%**	**623.3**	**321.3**	**302.0**	

If the Proposed Change in Use of Proceeds from the Global Offering is approved by the Shareholders at the AGM, the details of the allocation of the net proceeds and the expected utilization timetable after such change are set out in the following table:

Intended use	Percentage of unutilized net proceeds after the change	Allocation after the change *(in HK$ million)*	Expected timetable for full utilization after the change*(note)*
To fund R&D activities and production capacity expansion of the Group's hydrogen fuel cell systems	15.2%	45.9	By December 31, 2028
R&D activities of power-efficient and cost-effective hydrogen fuel cell systems and related key components	0.0%	–	By December 31, 2028
– R&D activities of power-efficient and cost-effective hydrogen fuel cell systems and related key components	0.0%	–	By December 31, 2028
– next-generation high power fuel cell systems	0.0%	–	By December 31, 2028
– high-efficiency stationary power generation fuel cell stacks	0.0%	–	By December 31, 2028
Expansion of the Group's production capacity of components for hydrogen fuel cell systems	15.2%	45.9	By December 31, 2028
– construction of production facilities for fuel cell stacks and MEAs	14.9%	45.1	By December 31, 2028
– construction of production facilities for bipolar plates	0.3%	0.8	By December 31, 2028
Production capacity expansion of the Group's hydrogen production systems	11.3%	34.0	By December 31, 2027
– production expansion of PEM water electrolysis hydrogen production systems	6.5%	19.7	By December 31, 2027
– production expansion of ALK electrode	1.8%	5.3	By December 31, 2027
– development of hydrogen production power sources	3.0%	9.0	By December 31, 2027
Expansion of the Group's overseas market footprint	7.3%	22.1	By December 31, 2028
– provision of after-sales services for overseas market	6.8%	20.6	By December 31, 2028
– team building	0.5%	1.5	By December 31, 2028
Working capital and general corporate purposes	66.2%	200.0	By December 31, 2028
Total	**100%**	**302.0**	

Note:

The intended utilization timetable for the unutilized net proceeds from the Global Offering is based on the Group's current best estimate and is subject to changes depending on the Group's uncontrollable future development and activities.

(B) PROPOSED CHANGE IN USE OF PROCEEDS FROM THE SUBSCRIPTIONS

As disclosed in the Circular and the 2025 Annual Results Announcement, the Group's net Proceeds from the Subscriptions were approximately RMB272.2 million. As of March 31, 2026, the net proceeds of approximately RMB100.3 million have been utilized, and approximately RMB171.9 million remains unutilized. The details of the allocation of net proceeds from the Subscriptions and the net proceeds utilized and unutilized as of March 31, 2026 are set out in the following table:

Intended use	**Percentage of net proceeds**	**Allocation before the change** *(in RMB million)*	**Utilized as of March 31, 2026** *(in RMB million)*	**Unutilized as of March 31, 2026** *(in RMB million)*	**Intended utilization timetable for unutilized net proceeds**
A construction project of an R&D center for hydrogen fuel cell systems and hydrogen energy equipment	39.7%	108.0	6.7	101.3	By December 31, 2028
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
Replenishment of working capital	30.0%	81.7	81.7	–	–
Total	**100.0%**	**272.2**	**100.3**	**171.9**	

If the Proposed Change in Use of Proceeds from the Subscriptions is approved by the Shareholders at the AGM, the details of the allocation of net proceeds from the Subscriptions and the expected utilization timetable after such change are set out in the following table:

Intended use	**Percentage of unutilized net proceeds after the change**	**Allocation after the change** *(in RMB million)*	**Intended utilization timetable for unutilized net proceeds**[*(note)*]
A construction project of an R&D center for hydrogen fuel cell systems and hydrogen energy equipment	0.8%	1.3	By December 31, 2028
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
Replenishment of working capital	58.2%	100.0	By December 31, 2028
Total	**100.0%**	**171.9**	

Note:

The intended utilization timetable for the unutilized net proceeds from the Subscriptions is based on the Group's current best estimate and is subject to changes depending on the Group's uncontrollable future development and activities.

REASONS FOR AND BENEFITS OF THE PROPOSED CHANGE IN USE OF PROCEEDS FROM THE GLOBAL OFFERING AND THE PROPOSED CHANGE IN THE USE OF PROCEEDS FROM THE SUBSCRIPTIONS

The intended use of net proceeds from the Global Offering and the intended use of net proceeds from the Subscriptions as disclosed in the Prospectus and the Circular, as the case may be, was formulated based on the Company's estimation of the then-current and future market conditions as of the date of the Prospectus and the date of the Circular, respectively. The Board assesses the plans for the use of the unutilized net proceeds on an ongoing basis and revises or modifies such plans where necessary in response to the developing trends of global and domestic economic conditions, so as to determine the most effective use of the net proceeds with a view to promoting a better growth and development of the Group.

After comprehensively taking into account the Group's current financial position and business plans and in order to enhance the efficiency of the utilization of the net proceeds and improve effectiveness in capacity expansion and business development in the market, the Board has resolved to make adjustments to: (i) the intended use of the net proceeds from the Global Offering by reallocating part of the funds originally intended to be used for R&D activities and production capacity expansion of the Group's hydrogen fuel cell systems and for production capacity expansion of the Group's hydrogen production systems in the sum of HK$200.0 million for the replenishment of the Group's working capital; and (ii) the intended use of the net proceeds from the Subscriptions 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.

Save as the aforesaid changes, there is no other change in the use of unutilized net proceeds from the Global Offering and the Subscriptions. The nature of the Group's business remains unchanged from that previously disclosed. The Board considers that the Proposed Change in Use of Proceeds from the Global Offering and the Proposed Change in Use of Proceeds from the Subscriptions are fair and reasonable, will enhance the efficiency of resource utilization, and is in the interest of the Group and its Shareholders as a whole.

The Company will continue to provide the Shareholders with updates on the progress of the utilization of the remaining net proceeds through its future annual and interim reports. The Company will also make further announcement(s) in accordance with the requirements of the Listing Rules as and when appropriate.

THE AGM

The Proposed Change in Use of Proceeds from the Global Offering and the Proposed Change in Use of Proceeds from the Subscriptions are subject to approval by the Shareholders by way of ordinary resolutions at the AGM. A circular containing, among other things, details of the Proposed Change in Use of Proceeds from the Global Offering and the Proposed Change in Use of Proceeds from the Subscriptions and the notice of the AGM, will be despatched to the Shareholders on or around April 24, 2026.

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

Hong Kong, April 24, 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.