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HYBRID KINETIC GROUP LIMITED
正道集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 1188)

(i) TERMINATION OF VERY SUBSTANTIAL ACQUISITION; (ii) TERMINATION OF SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE; AND (iii) TERMINATION OF SUBSCRIPTION OF CONVERTIBLE BOND UNDER GENERAL MANDATE

Reference is made to (i) the announcements of Hybrid Kinetic Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 17 October 2022, 8 March 2023, 31 August 2023, 30 November 2023 and 1 February 2024 in relation to the very substantial acquisition of the entire issued shares of the target company; (ii) the announcements of the Company dated 26 September 2022, 16 February 2023, 30 September 2024 and 27 March 2025 in relation to the subscription of convertible bond under general mandate; and (iii) the announcements of the Company dated 29 May 2023, 14 June 2023, 3 July 2023, 31 August 2023, 31 October 2023, 1 January 2024, 23 May 2024, 30 September 2024, and 27 March 2025 in relation to subscription of new shares under general mandate (collectively, the "**Announcements**"). Unless otherwise defined, terms used in this announcement shall have the same meanings as those used in the Announcements.

TERMINATION OF THE ACQUISITION AGREEMENT, THE SHARE SUBSCRIPTION AGREEMENT AND THE BOND SUBSCRIPTION AGREEMENT (COLLECTIVELY, THE "AGREEMENTS")

Certain conditions precedent remained unfulfilled as of the date of this announcement under the Agreements. The Board announces that after careful consideration and discussions between the respective parties, the following agreements have been terminated with effect from 27 May 2026 (the "**Effective Date of Termination**").

1. **Acquisition Agreement:** the agreement dated 28 August 2022 entered into between the Company and the Vendor in relation to the Acquisition of issued shares of the Target Company. The Vendors and the Company have mutually agreed not to proceed with the Acquisition.

2. **Share Subscription Agreement:** The subscription agreement dated 20 September 2022 entered into between the Company and M6 Investments L.L.C. as the subscriber, in relation to the subscription of 2,000,000,000 new Shares of the Company. The Company and subscriber have mutually agreed not to proceed with the subscription of the new shares of the Company.

3. **Bond Subscription Agreement:** The subscription agreement dated 29 May 2023 entered into between the Company and Mr. Zhou Zuan, as the subscriber, in relation to the subscription of the Convertible Bond in the principal amount of HK$100 million. The Company and subscriber have agreed not to proceed with the subscription of the convertible bond.

REASONS FOR TERMINATION

The termination of the above Agreements is primarily due to the failure to fulfill the certain key conditions precedent under the Agreements, including but not limited to regulatory approvals, third-party consents and completion of due diligence, have not been satisfied within the extended long stop dates.

And the Agreements were entered into in 2022 and 2023 as part of the Company's former strategic initiatives to expand its business portfolio and secure additional funding. However, as the Group's business and market conditions evolved, the original strategic rationale for the transactions under the Agreements has materially changed. Currently, the Group has strategically refocused on its core operating segments, namely (i) sales of automotive batteries and spare parts; and (ii) short drama production and distribution, which have commenced operations and generated revenue. The transactions under the Agreements are no longer aligned with the Group's current core business priorities.

Except for the above reasons, the challenging market environment and the Group's ongoing efforts to optimize its financial resources have led the Board to conclude that pursuing the transactions under the Agreements is no longer in the best interests of the Company and its shareholders as a whole.

EFFECT OF TERMINATION

As a result of the termination of the Agreements, save for the provisions relating to confidentiality, the respective responsibilities and obligations of the parties under the Agreements shall be released, waived, revoked and terminated with effect from 27 May 2026 pursuant to the Agreements. The parties thereto shall not pursue any past, existing and future claims or legal actions of any kind which any of the Company, subscribers or the Vendors has or may have against the other in respect of the matters in connection with the Agreements.

Save for the above, the Board considers that the termination of the Agreements is a result of prudent commercial judgment and is in the best interests of the Company and its shareholders as a whole. The termination does not involve any compensation or penalty obligations between the contracting parties and will not have any material adverse impact on the business, operations or financial position of the Group.

The Group will continue to explore high-potential business opportunities and further enhance its diversified revenue streams and overall competitiveness.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Tuesday, 1 April 2025. Trading in the shares of the Company on the Stock Exchange will remain suspended pending the fulfilment of the resumption guidance issued by the Stock Exchange.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares or other securities of the Company, and if they are in any doubt about their position, they should consult their independent professional adviser(s).

By order of the Board
Hybrid Kinetic Group Limited
Kong Fan
Chairman

Hong Kong, 16 June 2026

As at the date of this announcement, the Board comprises one executive Director, namely Mr Kong Fan (Chairman), two non-executive Directors, namely Mr Ruan Jian and Mr Zheng Yu and three independent non-executive Directors, namely Ms Pan Hong, Mr Wu Wenchang and Mr Yuen Wai Keung.