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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)

VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING

This announcement is made by Hybrid Kinetic Group Limited (the “**Company**”, together with the subsidiaries of the Company as “the **Group**”) on a voluntary basis and for the purpose of informing the shareholders (“**shareholders**”) and potential investors of the Company on the latest business development of the Group.

MEMORANDUM OF UNDERSTANDING

The Board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 20 August 2026, the Company and Hengwan New Energy (Qianshan) Co., Limited (恒萬新能源（潛山）有限公司) (“**Hengwan**” and together with the Company, the “**Parties**”) entered into a memorandum of understanding (the “**MOU**”). The MOU sets out a framework for the Parties to explore potential cooperation opportunities with the aim of establishing long-term strategic collaboration and mutual commercial benefits.

Pursuant to the MOU, the Parties intend to explore co-operation across several areas, including:

- (i) advancement of Hengwan’s 5GWh-annual-capacity energy-storage and power battery industrial project covering construction, equipment procurement and infrastructure build-out, alongside joint work on production operation, quality control, supply-chain procurement and fund management for battery manufacturing;

- (ii) joint R&D for energy-storage cells, power lithium-ion batteries and system solutions to drive product iteration and technical optimization, together with joint development of domestic and overseas markets, customer channel expansion and exploration of product application scenarios; and
- (iii) exploration of cross-business promotion, joint industry-event participation, and sharing of industry intelligence, market resources and operational expertise between the parties.

All of the above areas of co-operation remain indicative and subject to further due diligence, negotiation and the entry into legally-binding definitive agreements. No binding obligations in respect of any commercial co-operation will exist until such definitive agreements are duly executed.

REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU

The Group is actively developing its presence in the energy-storage and power-battery physical-industry sector. The intended cooperation with Hengwan will enable the Group to accelerate its layout in the energy-storage and power-battery physical-industry sector by leveraging Hengwan's stable production capacity, solid new-energy technology capabilities and compliant operational foundation. Further, the contemplated partnership would enable each of the Parties to benefit from the respective competitive advantages of their counterpart and develop new mutually-beneficial business opportunities across the new-energy industrial chain.

In view of the above, the Board considers the MOU and the transactions contemplated thereunder are in the interests of the Company and the shareholders of the Company as a whole.

INFORMATION ON THE PARTIES

The Company incorporated in Bermuda and listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 1188), principally engaged in sales of vehicle batteries and spare parts and related businesses.

Hengwan New Energy (Qianshan) Co., Limited is a limited-liability company incorporated in the PRC. It is principally engaged in battery manufacturing; battery sales; energy storage technology services; production of battery components; R&D of new material technologies; sales of specialized electronic materials, and other related businesses.

To the best of the Directors' knowledge, information, and belief, having made all reasonable enquiries, Hengwan New Energy (Qianshan) Co., Limited and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).

GENERAL

The Board hereby emphasise that the MOU only reflects the preliminary cooperation intention of the parties. As at the date of this announcement, the Company has not entered into any formal or legally binding agreement(s) for the Strategic Cooperation. The Strategic Cooperation contemplated under the MOU, if materialised, may or may not constitute a notifiable transaction of the Company under the Listing Rules. Further announcement(s) will be made by the Company as and when required in compliance with the Listing Rules and other applicable laws and regulations.

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, 20 August 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.

* *For reference only*