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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)

ANNOUNCEMENT
GRANT OF RESTRICTED SHARES OF RESERVED GRANT (SECOND BATCH)

This announcement is made pursuant to Rules 17.06A, 17.06B and 17.06C of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

References are made to the circular (the "**Circular**") dated 31 October 2025 of Dynagreen Environmental Protection Group Co., Ltd.* (綠色動力環保集團股份有限公司) (the "**Company**"), the poll results announcement dated 19 November 2025, the announcement dated 2 December 2025, in relation to the adjustments to matters in relation to the Restricted Share Incentive Scheme and grant of Restricted Shares, and the announcement dated 24 December 2025, in relation to the results of the first grant and reserved grant (first batch). Unless otherwise defined in this announcement, capitalized terms used herein shall have the same meanings as those defined in the Circular.

The Board announces that, pursuant to the authorization granted at the third EGM of 2025 of the Company, the Company convened the 29th meeting of the fifth session of the Board on 28 October 2026, at which the resolution on the grant of Restricted Shares of reserved grant (second batch) to the Incentive Participants was considered and approved, and accordingly agreed to designate 28 October 2026 as the Grant Date and to grant 720,000 Restricted Shares to 4 Incentive Participants satisfying the conditions of grant at a Grant Price of RMB3.93 per share.

GRANT OF RESTRICTED SHARES TO INCENTIVE PARTICIPANTS

(I) Details of the reserved grant (second batch) are as follows:

1. Reserved Grant Date (second batch): 28 October 2026

2. Reserved Grant Price (second batch): RMB3.93 per share

   The grant price of reserved Restricted Shares (second batch) shall not be less than the nominal value of the shares and shall not be less than the higher of the following prices:

   (1) 50% of the average trading price of the shares of the Company on the trading day preceding the date of the announcement of the Board resolution on the grant of reserved Restricted Shares (second batch);

   (2) One of the following prices: 50% of the average trading price of the Company's underlying shares for the 20, 60 or 120 trading days preceding the date of the announcement of the Board resolution on the grant of reserved Restricted Shares (second batch) (total trading amount for the relevant period/ total trading volume);

   (3) If the fair market price is less than the net asset value per share, the Grant Price shall not be less than 60% of the fair market price.

3. Source of shares: ordinary A shares to be issued by the Company to the Incentive Participants of the Company.

4. Closing price of A shares: RMB7.80 per A share on the date of the reserved grant (second batch).

5. Incentive Participants and number of the reserved grant (second batch):

Name/Type	Position	Number of the Restricted Shares (0'000 shares)	Percentage to the total number proposed to be granted under the Scheme	Percentage to the total share capital of the Company
Core managerial, technical and business personnel (4 people)	Core managerial, technical and business personnel	72	1.7844%	0.0517%
Total (4 people)	–	72	1.7844%	0.0517%

Notes:

(1) None of the Incentive Participants under the Scheme has participated in two or more equity incentive schemes of the listed company.

(2) None of the Incentive Participants is a substantial shareholder holding more than 5% of the equity interest in the Company or the de facto controller and their spouses, parents and children.

(3) The number of A shares granted to any of the above Incentive Participants through all valid equity incentive schemes does not exceed 1% of total share capital of the Company. The total number of underlying A shares in relation to all incentive schemes of the Company in force shall not exceed 10% of total share capital of the Company at the time of submission of the equity incentive scheme to the general meeting.

(4) The total number of grants mentioned above is 40.35 million shares, being the total number of interests proposed to be granted under the Incentive Scheme as approved at the third EGM of 2025 of the Company; the total share capital of the Company mentioned above is 1,393.45 million shares, being the total share capital of the Company as at the date of the announcement of the Incentive Scheme.

The Incentive Participants under the reserved grant (second batch) do not include Directors, chief executives or substantial shareholders of the Company, or any of their respective associates.

The reserved Restricted Shares under the Scheme comprises a total of 2,100,000 shares, of which 1,360,000 shares had been granted under the reserved portion (first batch) and 720,000 shares (second batch) are hereby granted. The remaining 20,000 reserved Restricted Shares for which no Incentive Participants have been identified will no longer be granted. Following the reserved grant (second batch), the total number of remaining shares available for future grant under the Restricted Share Incentive Scheme is nil.

(II) Validity Period, Lock-up period and Unlocking arrangement

The Validity Period of the Scheme shall commence from the date on which the Scheme is approved by the general meeting of the Company and end on the date on which all the Restricted Shares granted to the Incentive Participants are unlocked or repurchased and cancelled, which shall not exceed 72 months.

The Lock-up Period of the Restricted Shares granted under the Scheme shall be 24 months, 36 months and 48 months respectively from the date of registration of the equity under the grant. The Restricted Shares granted to the Incentive Participants under the Scheme shall not be transferred, used for guarantee or repayment of debts during the Lock-up Period.

The Unlocking Periods and unlocking schedule for each period for the Restricted Shares granted under the Scheme are set out in the table below (including the reserved portion):

Unlocking arrangement	Unlocking schedule	Unlocking proportion
First Unlocking Period	Commencing from the first trading day after expiry of the 24-month period from the date of completion of registration of the Restricted Shares and ending on the last trading day of the 36-month period from the date of completion of registration.	33%
Second Unlocking Period	Commencing from the first trading day after expiry of the 36-month period from the date of completion of registration of the Restricted Shares and ending on the last trading day of the 48-month period from the date of completion of registration.	33%
Third Unlocking Period	Commencing from the first trading day after expiry of the 48-month period from the date of completion of registration of the Restricted Shares and ending on the last trading day of the 60-month period from the date of completion of registration.	34%

For Restricted Shares which have not been applied for unlocking or which cannot be applied for unlocking due to failure to meet the Unlocking Conditions during the aforesaid agreed periods, the Company will repurchase and cancel the corresponding Restricted Shares not yet unlocked from relevant Incentive Participants in accordance with the principles of the Scheme.

The shares obtained by the Incentive Participants by way of grant of the Restricted Shares arising from capitalization issue, bonus issue and share subdivision shall also be subject to lock-up restriction, and shall not be sold in the secondary market or otherwise transferred. The Unlocking Periods of such shares shall be the same as those of the Restricted Shares. Where the Company repurchases the Restricted Shares not yet unlocked, such shares shall be repurchased altogether.

(III) Unlocking Conditions of the Restricted Shares:

The Restricted Shares granted to the Incentive Participants shall be unlocked upon satisfaction of all of the following conditions:

1. There is no occurrence of any of the following events on the part of the Company:

(1) failure to engage an accounting firm to conduct an audit in accordance with the prescribed procedures and requirements;

(2) the state-owned assets supervision and administration authority or the audit department has raised significant objections to the listed company's results or annual financial reports;

(3) any significant non-compliance with regulations and penalties imposed by the securities regulatory authorities and other relevant authorities;

(4) the financial report or the internal control evaluation for the latest accounting year has been issued with an adverse opinion or an audit report with a disclaimer of opinion by the certified public accountants;

(5) any failure to distribute profits in accordance with the laws and regulations, the Articles of Association and public commitments within the last 36 months after listing;

(6) where the laws and regulations prohibit the implementation of equity incentives;

(7) other circumstances as determined by the CSRC.

2. There is no occurrence of any of the following events on the part of the Incentive Participants:

(1) the results of economic responsibility audit, etc. indicate that there is failure in performing duties effectively or serious dereliction of duty or malpractice;

(2) violation of the relevant national laws and regulations and the Articles of Association of the listed company;

(3) the Incentive Participant has committed any illegal and disciplinary acts during his/her service such as accepting and soliciting bribes, committing corruption and theft, disclosing the listed company's commercial and technical secrets, implementing connected transactions that damage the interests and reputation of the listed company and have significant adverse impact on the image of the listed company, and punishment has been imposed;

(4) failure to perform or improperly perform his/her duties, resulting in a material loss of assets and other serious adverse consequences to the listed company;

(5) being determined by stock exchange(s) to be an unsuitable person within the last 12 months;

(6) being determined as an unsuitable person by the CSRC and its dispatched agents within the last 12 months;

(7) having been imposed administrative punishment or being prohibited from market entry by the CSRC and its dispatched agents within the last 12 months due to material breach of laws and regulations;

(8) being prohibited from acting as a Director or a member of senior management of the Company as stipulated in the Company Law;

(9) being prohibited from participating in the equity incentives of the listed company under the laws, regulations and relevant provisions;

(10) other circumstances as determined by the CSRC.

3. Performance appraisal requirements at company level

The appraisal year for unlocking of the Restricted Share Incentive Scheme covers three accounting years from 2026 to 2028, and an appraisal will be carried out every accounting year. The performance appraisal for unlocking of the Restricted Shares granted under the Restricted Share Incentive Scheme is shown in the following table:

Unlocking Period	Performance appraisal trigger value	Performance appraisal target value
The first Unlocking Period under the first grant and reserved grant	1. Based on the net profit in 2023, the growth rate of net profit in 2026 shall not be less than 80% of the target value, i.e. not less than 12%, and the net profit shall not be less than RMB692 million;	1. Based on the net profit in 2023, the growth rate of net profit in 2026 shall not be less than 15%, i.e. the net profit shall not be less than RMB711 million;
	2. The return on equity in 2026 shall not be less than 80% of the target value; The first two indicators are not lower than the 75th percentile of the benchmarked enterprises;	2. The return on equity in 2026 shall not be less than 8.2%; The first two indicators are not lower than the 75th percentile of the benchmarked enterprises;
	3. Net cash flows from operating activities in 2026 shall not be less than 80% of the target value;	3. Net cash flows from operating activities in 2026 shall not be less than RMB1,144 million;
	4. The steam supply volume in 2026 shall not be less than 80% of the target value;	4. The steam supply volume in 2026 shall not be less than 492,900 tons;
	5. In 2026, the number of digital and intelligent technology application projects will increase by one.	5. In 2026, the number of digital and intelligent technology application projects will increase by one.

Unlocking Period	Performance appraisal trigger value	Performance appraisal target value
The second Unlocking Period under the first grant and reserved grant	1. Based on the net profit in 2023, the growth rate of net profit in 2027 shall not be less than 80% of the target value, i.e. not less than 16%, and the net profit shall not be less than RMB717 million;	1. Based on the net profit in 2023, the growth rate of net profit in 2027 shall not be less than 20%, i.e. the net profit shall not be less than RMB742 million;
	2. The return on equity in 2027 shall not be less than 80% of the target value; The first two indicators are not lower than the 75th percentile of the benchmarked enterprises;	2. The return on equity in 2027 shall not be less than 8.2%; The first two indicators are not lower than the 75th percentile of the benchmarked enterprises;
	3. Net cash flows from operating activities in 2027 shall not be less than 80% of the target value;	3. Net cash flows from operating activities in 2027 shall not be less than RMB1,193 million;
	4. The steam supply volume in 2027 shall not be less than 80% of the target value;	4. The steam supply volume in 2027 shall not be less than 514,300 tons;
	5. In 2027, the number of digital and intelligent technology application projects will increase by two.	5. In 2027, the number of digital and intelligent technology application projects will increase by two.

Unlocking Period	Performance appraisal trigger value	Performance appraisal target value
The third Unlocking Period under the first grant and reserved grant	1. Based on the net profit in 2023, the growth rate of net profit in 2028 shall not be less than 80% of the target value, i.e. not less than 20%, and the net profit shall not be less than RMB742 million;	1. Based on the net profit in 2023, the growth rate of net profit in 2028 shall not be less than 25%, i.e. the net profit shall not be less than RMB773 million;
	2. The return on equity in 2028 shall not be less than 80% of the target value; The first two indicators are not lower than the 75th percentile of the benchmarked enterprises;	2. The return on equity in 2028 shall not be less than 8.2%; The first two indicators are not lower than the 75th percentile of the benchmarked enterprises;
	3. Net cash flows from operating activities in 2028 shall not be less than 80% of the target value;	3. Net cash flows from operating activities in 2028 shall not be less than RMB1,242 million;
	4. The steam supply volume in 2028 shall not be less than 80% of the target value;	4. The steam supply volume in 2028 shall not be less than 535,800 tons;
	5. In 2028, the number of digital and intelligent technology application projects will increase by two.	5. In 2028, the number of digital and intelligent technology application projects will increase by two.

Among them:

(1) Net profit refers to the net profit excluding extraordinary gain and loss attributable to the shareholders of the listed company, and return on equity refers to the return on net assets excluding extraordinary gain and loss attributable to the shareholders of the listed company, the same below;

(2) Growth rate of net profit = (net profit excluding extraordinary gain and loss attributable to the shareholders of the listed company in the current year/net profit excluding extraordinary gain and loss attributable to the shareholders of the listed company in 2023 – 1) × 100%, the same below;

(3) Return on equity (ROE) = net profit excluding extraordinary gain and loss attributable to the shareholders of the listed company in the current year/(net assets attributable to the shareholders of the listed company at the beginning of the period + net assets attributable to the shareholders of the listed company at the end of the period)/2 × 100%, the same below;

(4) Net cash flows from operating activities are based on the data of "net cash flows from operating activities" in the annual consolidated cash flows statement of the Company;

(5) Digital and intelligent technology application projects refer to the intelligent management of the waste incineration system using information technology, digitalization and artificial intelligence technology. By conducting big data analysis, machine deep learning and artificial intelligence management on the whole process of waste incineration, including waste storage fermentation, waste incineration and flue gas treatment, the goals of improving power generation efficiency and labor efficiency and reducing the consumption of environmental consumables and auxiliary fuels are achieved. The completion of the application project will be marked by passing the third-party appraisal.

During the Validity Period of the equity incentive scheme, in case of additional issuance, allotment of shares and convertible debentures into shares and other matters (excluding the implementation of profit distribution of the Company) that would result in a change in the net assets of the Company, the change in net assets and the corresponding amount of income arising therefrom (if the corresponding amount of income cannot be accurately calculated, it can be calculated by multiplying the actual financing amount after deducting the financing cost by the interest rate of the national debts of the same term) shall be excluded when conducting an appraisal. During the Validity Period of the equity incentive scheme, if the Company adjusts its accounting policies, the pre-adjustment caliber will be used during the appraisal.

The incentive costs incurred from this equity incentive will be charged to the administrative expenses of the Company. The performance appraisal results at company level and their corresponding unlocking ratios at company level in the current period are shown in the following table:

Performance appraisal results at company level	**Unlocking ratios at company level in the current period**
Meeting performance appraisal target value	100%
Meeting performance appraisal trigger value, but not meeting performance appraisal target value	80%
Not meeting performance appraisal trigger value	0%

If one or more of the above five performance indicators of the Company in the appraisal year fail to meet the performance appraisal trigger value, it shall be deemed that the Company does not meet the performance appraisal trigger value in the current period, and the unlocking ratios at company level in the current period shall be 0%; if only some of the above five performance indicators of the Company in the appraisal year meet the performance appraisal target value, and one or more of the indicators fail to meet the performance appraisal target value, but all meet the performance appraisal trigger value, it shall be deemed that the Company does not meet the performance appraisal target value in the current period, and the unlocking ratios at company level in the current period shall be 80%; if all of the above five performance indicators of the Company in the appraisal year meet the performance appraisal target value, the unlocking ratios at company level in the current period shall be 100%.

Restricted Shares that fail to meet the Unlocking Conditions in the current period shall be repurchased and cancelled by the Company in accordance with the Restricted Share Incentive Scheme at the lower of the Grant Price and the stock market price at the time of repurchase.

4. Performance appraisal requirements at individual level

The appraisal year for unlocking of the Restricted Share Incentive Scheme covers three accounting years from 2026 to 2028, and the appraisal of Incentive Participants at individual level shall be organized and implemented in accordance with the Company's current relevant provisions on remuneration and appraisal, based on the appraisal standards for the positions of the Incentive Participants. The Company will conduct appraisal at individual level each accounting year in accordance with the Appraisal Management Measures for Implementation of the Restricted Share Incentive Scheme and the internal performance assessment mechanism of the Company.

The unlocking ratios of Incentive Participants at individual level is determined based on the results of individual performance appraisal. The classification of grades and their corresponding unlocking ratios at individual level are shown in the following table:

Grade	**Competent and above**	**Basic competent**	**Incompetent**
Unlocking ratios	100%	50%	0%

The actual unlocking amounts held by the individuals in the current year = the unlocking ratios at company level in the current year × the unlocking ratios at individual level in the current year × the planned individual unlocking ratios in the current year.

If the Unlocking Conditions in the current period are not satisfied due to the failure to pass the performance appraisal at company level or individual level, no corresponding Restricted Shares shall be deferred to the next period and be unlocked, and will be repurchased and cancelled by the Company in accordance with the Restricted Share Incentive Scheme at the lower of the Grant Price and the stock market price at the time of repurchase.

(IV) Repurchase mechanism

The Restricted Share Incentive Scheme provides a path for the repurchase and cancellation of Restricted Shares from Incentive Participants who are no longer entitled to hold the Restricted Shares due to transfer of job, dismissal, retirement, death, incapacity, resignation or other circumstances, with specified repurchase prices set under the respective circumstances. For further details of the repurchase mechanism under each different circumstance, please refer to the section headed "XIII. HANDLING OF CHANGES IN THE COMPANY/INCENTIVE PARTICIPANTS" in the Letter from the Board of the Circular.

(V) Financial assistance

The subscription of Restricted Shares by the Incentive Participants would be financed by their own funds. The Company and its subsidiaries would not provide loans, loan guarantees or any other form of financial assistance to the Incentive Participants to obtain Restricted Shares under the Restricted Share Incentive Scheme.

(VI) Impact of share-based payment expense on the financial position of the Company

According to the requirements of Accounting Standard for Business Enterprises No. 11 – Share-based Payment, the Company takes the difference between the closing price of the share on the Grant Date and the Grant Price as the share-based payment cost of each Restricted Share under the reserved grant (second batch), and will finally recognize the share-based payment expense of the Scheme.

The impact of the Restricted Shares under the reserved grant (second batch) under the Scheme on the costs of each accounting period is shown in the table below:

Unit: RMB0'000

Number of the Restricted Shares (0'000 shares)	Total expenses	2026	2027	2028	2029	2030
72.00	278.64	17.81	100.31	92.15	48.89	19.48

The above results do not represent the final accounting cost. The abovementioned impact on the financial position and operating results of the Company is only an estimate and the final results are subject to the annual audit report to be issued by the accountant firm.

OPINIONS OF THE REMUNERATION AND APPRAISAL COMMITTEE UNDER THE BOARD OF THE COMPANY

The remuneration and appraisal committee under the Board of the Company is of the view that the Incentive Participants for the reserved grant (second batch) have satisfied the conditions stipulated in relevant laws, regulations, rules and normative documents including the Administrative Measures for the Equity Incentives of Listed Companies (《上市公司股權激勵管理辦法》), and fallen within the scope of Incentive Participants as stipulated in the Scheme, with legal and valid subject qualifications as Incentive Participants under the Scheme. The Company and the Incentive Participants are not subject to any circumstances where grant of or receipt of Restricted Shares is prohibited, and the conditions for the reserved grant under the Scheme have been satisfied. It is agreed that 28 October 2026 be taken as the reserved Grant Date, to grant 720,000 Restricted Shares of reserved grant (second batch) to 4 Incentive Participants satisfying the conditions of grant.

CONCLUSION OF THE LEGAL OPINION

Beijing Kangda (Shenzhen) Law Firm is of the view that, as of the date of the legal opinion, the Grant Date, Incentive Participants, number of Restricted Shares and Grant Price of the reserved grant as determined by the Board of the Company are in compliance with the relevant provisions of the Administrative Measures for the Equity Incentives of Listed Companies (《上市公司股權激勵管理辦法》), the Trial Measures for the Implementation of Equity Incentives by State-controlled Listed Companies (Domestic) (Guo Zi Fa Fen Pei [2006] No. 175) (《國有控股上市公司(境內)實施股權激勵試行辦法》(國資發分配175號)), the Articles of Association, the Scheme and its administrative measures, and the relevant grant conditions have been satisfied; the reserved grant has fulfilled the statutory procedures required to be performed at the current stage, and it is in line with the relevant provisions of the aforementioned documents.

OPINION FROM THE INDEPENDENT FINANCIAL ADVISER

Shanghai Realize Enterprise Consulting Services (Group) Co., Ltd. is of the view that the Scheme has obtained the necessary approval and authorization, and the reserved grant of Restricted Shares is in compliance with the provisions of laws, regulations and normative documents including the Company Law, the Securities Law and the Administrative Measures for the Equity Incentives of Listed Companies (《上市公司股權激勵管理辦法》), and there is no non-compliance of the conditions of grant under the Scheme.

By Order of the Board
Dynagreen Environmental Protection Group Co., Ltd.*
Cheng Suning
Chairman

Shenzhen, the PRC
28 October 2026

As of the date of this announcement, the executive director is Mr. Cheng Suning; the non-executive directors are Mr. Hu Tianhe, Mr. Yan Chunxu and Mr. Hu Yong; the independent non-executive directors are Ms. Ouyang Jiejiao, Mr. Zheng Zhiming and Mr. Zhou Beihai; and the employee director is Mr. Hu Shengyong.

* *For identification purposes only*