Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

ANNOUNCEMENT
CHANGE IN THE USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

References are made to (i) the prospectus of Hainan Drinda New Energy Technology Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") dated April 28, 2025 (the "**Prospectus**") in relation to the global offering of the Company (the "**Global Offering**"); (ii) the announcement dated May 7, 2025 issued by the Company containing, among other things, the resulting total amount of net proceeds from the Global Offering (the "**Announcement**"); and (iii) the interim report of the Company for the six months ended June 30, 2026 (the "**2026 Interim Report**") containing, among other things, the details of the utilization of net proceeds from the Global Offering as of June 30, 2026. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Prospectus and the 2026 Interim Report.

On November 12, 2026, the 16th meeting of the fifth session of the Board was convened (the "**Board Meeting**"), in which (i) the Board has resolved to terminate the construction project of the Overseas Plant in Oman (details of which are set out in the section headed "Termination of the Construction Project of the Overseas Plant"); and (ii) in order to enhance the efficiency of the utilization of proceeds upon the termination of the construction project of the Overseas Plant, the Board has resolved to make adjustments to the intended use of the net proceeds from the Global Offering by reallocating the entire unutilized amount of net proceeds from the Global Offering (the "**Net Proceeds**") originally intended to be used for the "construction of Overseas Plant" in the sum of HK$962.77 million as of the date of this announcement for the construction of an overseas photovoltaic (PV) cell production plant with an annualized production capacity of approximately 5 GW to the (i) R&D of PV cell products, technological upgrades and revamping of production lines in the sum of HK$577.66 million; (ii) the Group's strategic procurement of raw materials for PV cells in the sum of HK$288.83 million and (iii) replenishment of the Group's general working capital in the sum of HK$96.28 million (the "**Proposed Change**").

Pursuant to the Articles of Association, the Proposed Change is subject to the Shareholders' approval. Therefore, the Proposed Change shall become effective upon approval by the Shareholders by way of ordinary resolution at a general meeting of the Company. Relevant resolution for the Proposed Change will be proposed at an extraordinary general meeting of the Company which is expected to be held in due course (the "**EGM**").

TERMINATION OF THE CONSTRUCTION PROJECT OF THE OVERSEAS PLANT

As disclosed in the Prospectus, the construction project of the Overseas Plant pertains to the construction of the high-efficiency production base with an annual capacity of 5 GW within the Sohar Free Zone in Oman. With a planned total investment of approximately US$280 million, the project aims to leverage the geographical and trade policy advantages of the Free Zone to serve the overseas markets such as the Middle East and Europe, thereby enhancing the Group's overseas production capacity and international competitiveness.

As an overseas investment project, the implementation is subject to numerous uncertainties in aspects such as local policies, cross-border approvals, the financing environment, geographical developments and exchange rate risks. Since the latter half of 2025:

(i) the international trade landscape and tariff policies have continued to evolve;

(ii) geopolitical uncertainties in the Middle East have escalated, especially in light of the large-scale military conflict in the Middle East since the end of February 2026 and to date;

(iii) the construction of Oman's localized supply chain ecosystem for the main and auxiliary PV materials has progressed at a slower pace than anticipated;

(iv) in October 2026, the Ministry of Commerce of the PRC (商務部) and the Ministry of Science and Technology of the PRC (科技部) announced that it proposed revisions to the Catalogue of Technologies Prohibited and Restricted from Export (禁止出口限制出口技術目錄) to include certain PV-related technologies, which cover key and core equipment incorporating relevant technologies, and to implement temporary registration arrangement for the export of such technologies and thereby increasing the uncertainties surrounding equipment supply, construction timeline and investment costs; and

(v) none of the joint implementation schemes in this project with potential investors and partners with whom the Company had been actively engaging and negotiating on multiple rounds have materialized.

In light of the abovementioned contributing factors, the construction project of the Overseas Plant has fallen short of expectations with substantive construction works not having yet commenced and minimal investment to date, such that in the Board Meeting, the Board considered and approved the resolution named "Resolution on Terminating the Oman High-Efficiency Cell Production Base Project with an Annual Capacity of 5 GW" and terminated the construction project of the Overseas Plant (the "**Oman Project Termination**").

Accordingly, in order to enhance the efficiency of unutilized Net Proceeds originally intended for the construction project of the Overseas Plant, the Board has considered and approved the resolution regarding the Proposed Change in the Board Meeting.

PROPOSED CHANGE IN USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

As disclosed in the Announcement and the 2026 Interim Report, the Net Proceeds received by the Company, after deducting underwriting fees and commissions and other expenses payable by the Company in connection with the Global Offering, amounted to approximately HK$1,291.67 million. As of June 30, 2026, approximately HK$1,011.28 million remains unutilized.

Subject to the Proposed Change being approved by the Shareholders at the EGM, the details of the proposed allocation of Net Proceeds, the Net Proceeds utilized and unutilized as of the date of this announcement before and after the Proposed Change and the expected timeline for the use of the remaining unutilized Net Proceeds are set out in the following table:

Intended use of net proceeds	**Approximate percentage of the total Net Proceeds as disclosed in the Prospectus and before the Proposed Change** *(%)*	**Amount of allocated Net Proceeds as of the date of the Announcement and before the Proposed Change** *(HK$ million)*	**Amount utilized as of the date of this announcement before the Proposed Change** *(HK$ million)*	**Amount unutilized as of the date of this announcement before the Proposed Change** *(HK$ million)*	**Amount unutilized as of the date of this announcement after the Proposed Change** *(HK$ million)*	**Expected timeline of full utilization of the unutilized Net Proceeds**
Construction of Overseas Plant	75.0	968.75	5.98	962.77	0.00	–
R&D of advanced technologies	8.0	103.33	103.33	0.00	0.00	–
Establishment and enhancement of overseas sales operation and distribution channels	7.0	90.42	46.70	43.72	43.72	By December 31, 2027
R&D of PV cell products, technological upgrades and revamping of production lines	–	–	–	–	577.66	By December 31, 2027
the Group's strategic procurement of raw materials for PV cells	–	–	–	–	288.83	By December 31, 2027
Working capital and general corporate purposes	10.0	129.17	129.17	0.00	96.28	By December 31, 2027
Total	**100.0**	**1,291.67**	**285.18**	**1,006.49**	**1,006.49**	

REASONS FOR AND BENEFITS OF THE PROPOSED CHANGE

The planned use of Net Proceeds from the Global Offering as disclosed in the Prospectus was based on the best estimation made by the Group in relation to the then prevailing and future market conditions as at the latest practicable date of the Prospectus. In this connection, the Board assesses the plans for the use of the unutilized Net Proceeds cautiously on an ongoing basis and monitors market conditions including the trends with the global and local economic conditions from time to time to determine the most effective and efficient use of the Net Proceeds. The Board considers it appropriate to arrange for reallocating the unutilized Net Proceeds while maintaining the Group's business direction, for the following reasons:

(1) Advancing the upgrades in PV cell technologies and reinforcing the market competitiveness of the products of the Group

The Group is principally engaged in the R&D, manufacturing and sales of PV cells. The Proposed Change reflects the Group's intention to conduct R&D of PV cell products, upgrade its PV cell technologies, and revamp its production lines, which, together with the Group's strategic procurement of raw materials as disclosed below, aims to further improve the conversion efficiency of PV cells, expand the supply of high-efficiency products, diversify the application scenarios of PV products and reduce production costs, thereby reinforcing the market competitiveness of the Group's products and solidifying its presence as a specialized PV cell manufacturer and supporting the development of its core business. The Group plans to apply such reallocated proceeds to strengthen its R&D technology capabilities to maintain its technological leadership in PV cell products and its production process including investments in R&D, procurement of materials and procurement of or upgrades in production lines and equipment for new technologies, recruitment of R&D and technical personnel with relevant industry experience and payment of remuneration to the relevant personnel. Thus, the Proposed Change is (i) in line with the Group's focus on its core PV cell business and (ii) in the spirit of the policy initiatives underlying the PRC national energy efficiency standards for PV modules and conducive to phasing out outdated PV production capacity and enhancing the competitive landscape.

(2) Locking in the procurement cost of raw materials with considerable price fluctuation

Given that raw materials used in PV cell production exhibit significant price volatility, especially silver paste and silicon wafers, which are key raw materials used in PV cell production, the Group intends to strategically procure such raw materials in advance to lock in favourable levels of raw material costs and mitigate the Group's exposure to the risk in raw material price fluctuations and its potential adverse impact on the Group's business.

(3) Improving the efficiency of the use of raised funds

In light of the reasons for the Oman Project Termination as disclosed above under the section headed "Termination of the Construction Project of the Overseas Plant", the Board believes that the Proposed Change would enable the Group to improve the efficiency of the use of the amount of unutilized Net Proceeds in the sum of HK$962.77 million originally intended for the construction project of the Overseas Plant. The Proposed Change will enable the Group to better reallocate its financial resources to its core PV cell business and production that will help strengthening the overall competitiveness and promoting sustainable development of the Group to protect the interest of the Company and the Shareholders.

(4) No material change to the Group's business plans

Except for the above changes, there will be no other change to the use of the unutilized Net Proceeds. The nature of the Group's business, its principal products and its development direction remain consistent with those disclosed in the Prospectus. The Board considers the Proposed Change (i) to be fair and reasonable, and (ii) that it will enhance the efficiency of resource utilization and be in the interests of the Company and its Shareholders as a whole.

THE EGM

The Oman Project Termination has been approved by the Board and is not subject to approval by the Shareholders. The Proposed Change is subject to approval by the Shareholders by way of ordinary resolution at the EGM. A circular containing, among other things, details of the Proposed Change and the notice convening the EGM will be published to the Shareholders in due course.

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

Hong Kong, November 12, 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.