中科天元
ChinaNewEnergy

China New Energy Limited

*(Incorporated in Jersey, Channel Islands with limited liability and carrying on business in Hong Kong as "**Zhongke Tianyuan New Energy Limited**")*

(Stock Code: 1156)

CHANGE IN USE OF PROCEEDS

References are made to the announcements of China New Energy Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 25 June 2026 and 15 July 2026 in relation to the placing (the "**Placing**") of new shares under the general mandate (the "**Announcements**"). Capitalised terms used herein, unless otherwise defined, shall have the same meanings as those defined in the Announcements.

USE OF PROCEEDS FROM THE PLACING

As disclosed in the Announcements, the Placing was completed on 15 July 2026 and the net proceeds from the Placing of approximately HK$19.59 million (the "**Net Proceeds**") would be applied for replenishing the Company's general working capital.

As at the date of this announcement, the Company has utilised approximately HK$4.20 million or 21.44% of the Net Proceeds, and the unutilised Net Proceeds (the "**Unutilised Net Proceeds**") amounted to approximately HK$15.39 million or 78.56% of the Net Proceeds.

CHANGE IN USE OF PROCEEDS

After careful consideration and detailed evaluation of the Group's operations and the business strategies, the board of directors (the "**Board**") has resolved to change the use of the Unutilised Net Proceeds as follows:

	Original proposed use of Net Proceeds *(HK$ million)*	**Utilised Net Proceeds up to the date of this announcement** *(HK$ million)*	**Unutilised Net Proceeds up to the date of this announcement** *(HK$ million)*	**Revised allocation of Unutilised Net Proceeds** *(HK$ million)*
General working capital	19.59	4.20	15.39	5.39
Establishment and business expansion of the New Subsidiary	—	—	—	10.00

REASONS FOR AND BENEFITS FOR CHANGE IN USE OF PROCEEDS

The Company is a leading ethanol system producer in the People's Republic of China (the "**PRC**"), primarily providing integrated services including engineering design, equipment manufacturing, installation and commissioning, and subsequent maintenance for the core system of ethanol production system in the ethanol fuel and alcoholic beverage industries in the PRC. As the growth in the traditional energy business stabilizes, the Group has been actively exploring strategic opportunities to diversify its revenue streams, upgrade its industrial layout, and enter emerging growth sectors.

To capture the emerging market opportunities arising from the convergence of artificial intelligence and clean energy, the Group intends to reallocate the Unutilised Net Proceeds to fund the establishment and business expansion of a new wholly-owned subsidiary (the "**New Subsidiary**"). Without altering the Group's principal businesses, the establishment of the New Subsidiary represents a strategic expansion into emerging growth sectors. Focusing on new energy businesses such as the operation and deployment of AI-driven energy storage and charging robots, alongside the trading of energy storage and computing equipment, the New Subsidiary aims to leverage immediate trading and operational revenue to support proprietary technology research and development and build sustainable long-term capabilities.

Save as disclosed in this announcement, there has been no other material change to the use of proceeds.

The Board considers that the change in use of proceeds is expected to better align with the Group's current development strategy and business priorities, and enhance its competitiveness and long-term growth potential. The Board confirms that such change does not constitute any material change to the principal business activities of the Group, nor will it have any material adverse effect on the Group's existing business operations. Accordingly, the Board considers that the above change in use of proceeds is in the best interests of the Company and its shareholders as a whole.

By order of the Board
China New Energy Limited
Yu Weijun
Chairman

Hong Kong, 10 September 2026

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Yu Weijun (Chairman); and three independent non-executive Directors, namely Mr. Richard Antony Bennett, Mr. Chan Shing Fat Heron and Ms. Wong Mei Ling.