Upon [**REDACTED**], certain transactions between us and our connected persons will constitute connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules.

OUR CONNECTED PERSONS

We have entered into certain transactions in the ordinary and normal course of our business with the following connected persons at our subsidiary level, which will constitute continuing connected transactions upon the [**REDACTED**]:

Names of our connected person	Connected Relationship
PT Indonesia Morowali Industrial Park ("**PT Indonesia Morowali Industrial Park**") (together with its associates, the "**Morowali Group**")	PT Indonesia Morowali Industrial Park held as to 10% of interest in PT QMB New Energy Material, one of our subsidiaries. To the best of our Company's knowledge, PT Indonesia Morowali Industrial Park is affiliated company of Tsingshan Holding Group Co., Ltd. (青山控股集團有限公司).
Brunp (China) Recycling Technology Company Limited ("**Brunp China**") (together with its associates, the "**Brunp Group**")	Brunp China held as to 10% of interest in PT QMB New Energy Material, one of our subsidiaries. Brunp China is the subsidiary of Contemporary Amperex Technology Co., Limited, a company listed on the Shenzhen Stock Exchange (stock code: 300750) and the Hong Kong Stock Exchange (stock code: 3750).

SUMMARY OF OUR CONNECTED TRANSACTIONS

Transaction	Counterparty	Applicable Listing Rule	Waiver sought
One-off Connected Transaction			
1. Shareholder Loans	Morowali Group and Brunp Group	N/A	N/A
Partially-exempt Continuing Connected Transactions			
2. Procurement of products and services from Morowali Group	Morowali Group	14A.35, 14A.76(2)	Announcement requirements
3. Provision of products to Morowali Group	Morowali Group		
4. Procurement of products from Brunp Group	Brunp Group		
5. Provision of products to Brunp Group	Brunp Group	14A.101	Announcement requirements

ONE-OFF CONNECTED TRANSACTION

1. Shareholder Loans

Each of Morowali Group and Brunp Group have provided certain loans to our Group for the purpose of supporting the operations of PT QMB New Energy Material (our subsidiary) located in the integrated industrial park in Indonesia. As of December 31, 2025, the outstanding balances of loans made to our Group by Morowali Group and Brunp Group were approximately RMB80.46 million and RMB125.11 million, respectively (the "**Shareholder Loans**"). We expect the Shareholder Loans will be repaid in a few years when the relevant subsidiary has sustained full and stable operations for a period of time. As such, the Shareholder Loans will, upon [**REDACTED**], constitute a connected transaction.

The Shareholder Loans constitute a one-off connected transaction of financial assistance from our connected persons under Chapter 14A of the Listing Rules.

PARTIALLY-EXEMPT CONTINUING CONNECTED TRANSACTIONS

2. Procurement of products and services from Morowali Group

Principal terms

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a framework agreement (the "**Morowali Group Procurement Framework Agreement**") with PT Indonesia Morowali Industrial Park, pursuant to which, our Group will procure various products and services, including but not limited to, raw materials (including but not limited to limestone, etc.) and unloading and integrated logistics services (including but not limited to park services and port loading and unloading services, etc.), as our Group may require from time to time.

The initial term of the Morowali Group Procurement Framework Agreement will commence on the [**REDACTED**] and end on December 31, 2028. Both parties or their respective subsidiaries or associates will enter into separate underlying agreements which will set out the specific terms and conditions according to the principles provided in the Morowali Group Procurement Framework Agreement.

Reasons for the transaction

Our Group has a long-term and stable business cooperation with Morowali Group. Morowali Group is the manager of the Indonesia Integrated Industrial Park, and PT QMB New Energy Material is located in the Indonesia Integrated Industrial Park. Morowali Group provides raw materials (including but not limited to limestones) and integrated logistic services (including but not limited to park services and port loading and unloading services) that may be required by us under the Morowali Group Procurement Framework Agreement. Our Directors believe that maintaining a stable and quality business relationship with Morowali Group will facilitate our business operations and growth.

Pricing policies

The fees payable by us to Morowali Group shall be determined based on arm's length negotiation between the parties with reference to (i) historical and current market prices, including but not limited to, the market price indices related to the relevant raw materials; (ii) the type of raw materials and services to be procured; (iii) the terms, price and conditions offered by other independent third-party suppliers, and (iv) the transaction volume of the raw materials and services to be procured. The terms shall be no less favorable to us compared to those transactions between us and Independent Third Parties, which are in the best interests of our Group and our Shareholders as a whole.

Historical amounts

For the years ended December 31, 2023, 2024 and 2025, the historical transaction amounts with respect to the transactions contemplated under the Morowali Group Procurement Framework Agreement were approximately RMB211.87 million, RMB260.72 million, and RMB455.14 million, respectively.

Annual caps

The following table sets forth the proposed annual caps for the annual transaction amounts under the Morowali Group Procurement Framework Agreement:

	For the years ending December 31, 2026	**For the years ending December 31, 2027**	**For the years ending December 31, 2028**
	(RMB in million)	*(RMB in million)*	*(RMB in million)*
Total fees payable by us to Morowali Group	407.04	412.25	412.25

The proposed annual caps are determined based on:

(i) the historical amounts of the transactions contemplated under the Morowali Group Procurement Framework Agreement. With the increasing production capacity and the continuous expansion of the scale of operations of the Group, the amount of raw materials and services purchased by the Group from the Morowali Group has continued to increase;

(ii) the expected amount of procurement of the products and services contemplated under the Morowali Group Procurement Framework Agreement by our Group from Morowali Group, with an estimated growth rate of 5% in the procurement amount per year from 2026 to 2028, taking into account the commencement of production by several overseas companies resulting in increasing demand for daily operational supplies, the Group's expected business growth and actual needs and assuming that the procurement unit price remains the same; and

(iii) other factors, including but not limited to, the costs and expenses relating to market trends.

Note:

The historical amounts and the proposed annual caps are on tax exclusive basis.

Listing Rules implications

As the highest applicable percentage ratio of the transactions contemplated under the Morowali Group Procurement Framework Agreement for the three years ending December 31, 2028 calculated for the purpose of Chapter 14A of the Listing Rules will be more than 1% but less than 5% on an annual basis and the Morowali Group Procurement Framework Agreement is a connected transaction only because it involves a connected person at the subsidiary level, pursuant to Rule 14A.76(2) of the Listing Rules, such transactions will, upon [**REDACTED**], constitute continuing connected transactions of our Company subject to the annual reporting and annual review requirements under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules, but exempt from the independent Shareholders' approval requirement under Rule 14A.36 of the Listing Rules.

3. Provision of products to Morowali Group

Principle terms

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a framework agreement (the "**Morowali Group Provision Framework Agreement**") with PT Indonesia Morowali Industrial Park, pursuant to which Morowali Group will procure various products, including but not limited to, MHP or other products produced and supplied by the Group, and Morowali Group shall have the right to purchase the MHP produced by PT QMB New Energy Material in proportion to its equity ratio in PT QMB New Energy Material.

The initial term of the Morowali Group Provision Framework Agreement will commence on the [**REDACTED**] and end on December 31, 2028. Both parties or their respective subsidiaries or associates will enter into separate underlying agreements which will set out the specific terms and conditions according to the principles provided in the Morowali Group Provision Framework Agreement.

Reasons for the transaction

Our Group produces and supplies MHP and other products. Given our competitive edge in the industry and the quality of MHP and other products, MHP and other products provided by our Group meet the business needs of Morowali Group.

Pricing policies

The fees to be paid by Morowali Group to us under the Morowali Group Provision Framework Agreement shall be determined based on arm's length negotiation between our Group and Morowali Group with reference to (i) the historical and prevailing market price, including but not limited to, the market price indices related to MHP, (ii) the type of resources to be provided, (iii) the terms, price and conditions offered to other independent third-party customers, and (iv) the transaction volume of the resources to be provided. The terms shall be no less favorable to our Group compared to those transactions between our Group and Independent Third Parties, which are in the best interests of our Company and our Shareholders as a whole.

Historical amounts

For the years ended December 31, 2023, 2024 and 2025, the historical transaction amounts with respect to transactions completed under the Morowali Group Provision Framework Agreement were approximately RMB1,450.56 million, RMB1,180.04 million and RMB753.66 million, respectively.

Annual caps

The following table sets forth the proposed annual caps for the annual transaction amounts under the Morowali Group Provision Framework Agreement:

	For the years ending December 31, 2026	**For the years ending December 31, 2027**	**For the years ending December 31, 2028**
	(RMB in million)	*(RMB in million)*	*(RMB in million)*
Total fees payable by Morowali Group to us. . .	906.00	951.00	1,046.00

The proposed annual caps are determined based on:

(i) the historical amounts of the transactions contemplated under the Morowali Group Provision Framework Agreement during the Track Record Period;

(ii) the expected amount of sales of the above products by our Group to Morowali Group with estimated growth rate of 2.62%, 5% and 10% in the sales volume per year from 2026 to 2028 to meet the projected business needs and development of Morowali Group in the coming years assuming that the unit price of MHP remains the same; and

(iii) other factors including but not limited to the costs and expenses relating to market trends.

Note:

The historical amounts and the proposed annual caps are on tax exclusive basis.

Listing Rules implications

As the highest applicable percentage ratio of the transactions contemplated under the Morowali Group Provision Framework Agreement for the three years ending December 31, 2028 calculated for the purpose of Chapter 14A of the Listing Rules will be more than 1% but less than 5% on an annual basis and the Morowali Group Provision Framework Agreement is a connected transaction only because it involves a connected person at the subsidiary level, pursuant to Rule 14A.76(2) of the Listing Rules, such transactions will, upon [**REDACTED**], constitute continuing connected transactions of our Company subject to the annual reporting and annual review requirements under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules, but exempt from the independent Shareholders' approval requirement under Rule 14A.36 of the Listing Rules.

4. Procurement of products from Brunp Group

Principle terms

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a framework agreement (the "**Brunp Group Procurement Framework Agreement**") with Brunp China, pursuant to which, our Group will procure raw materials, including but not limited to, raw materials such as nickel and cobalt, as our Group may require from time to time.

The initial term of the Brunp Group Procurement Framework Agreement will commence on the [**REDACTED**] and end on December 31, 2028. Both parties or their respective subsidiaries or associates will enter into separate underlying agreements which will set out the specific terms and conditions according to the principles provided in the Brunp Group Procurement Framework Agreement.

Reasons for the transaction

Our Group has a long-term and stable business cooperation with Brunp Group. Brunp Group provides raw materials under the Brunp Group Procurement Framework Agreement which we may require in the process of our business and productions. Our Directors believe that maintaining a stable and quality business relationship with Brunp Group will facilitate our business operations and growth.

Pricing policies

The fees to be paid to Brunp Group by us under the Brunp Group Procurement Framework Agreement shall be determined based on arm's length negotiation between our Group and Brunp Group with reference to (i) the historical and prevailing market price, including but not limited to, the market price indices related to the raw materials, (ii) the type of raw materials to be procured, (iii) the terms, price and conditions offered by other independent third-party suppliers, and (iv) the transaction volume of the raw materials to be procured. The terms shall be no less favorable to our Group compared to those transactions between our Group and Independent Third Parties, which are in the best interests of our Company and our Shareholders as a whole.

Historical amounts

For the years ended December 31, 2023, 2024 and 2025, the historical transaction amounts with respect to the transactions completed under the Brunp Group Procurement Framework Agreement were approximately RMB1,158.59 million, RMB1,350.14 million and RMB601.67 million, respectively.

Annual caps

The following table sets forth the proposed annual caps for the annual transaction amounts under the Brunp Group Procurement Framework Agreement:

	For the years ending December 31, 2026	For the years ending December 31, 2027	For the years ending December 31, 2028
	(RMB in million)	*(RMB in million)*	*(RMB in million)*
Total fees payable by us to Brunp Group	676.00	676.00	676.00

The proposed annual caps are determined based on:

(i) the historical amounts of the transactions between our Group and Brunp Group during the Track Record Period in respect of the transactions contemplated under the Brunp Group Procurement Framework Agreement;

(ii) the expected amount of products that the Group will purchase from Brunp Group pursuant to the Brunp Group Procurement Framework Agreement, which is calculated after taking into account the Group's future business development and on the assumption that the unit price remains generally the same. As our Group's own production capacity for raw materials such as nickel and cobalt has been gradually increasing and the number of suppliers for the relevant raw materials has been increasing, our Group's future procurement demands from the Brunp Group decrease compared to those during the Track Record Period; and

(iii) other factors including but not limited to the costs and expenses.

Note:

The historical amounts and the proposed annual caps are on tax exclusive basis.

Listing Rules implications

As the highest applicable percentage ratio of the transactions contemplated under the Brunp Group Procurement Framework Agreement for the three years ending December 31, 2028 calculated for the purpose of Chapter 14A of the Listing Rules will be more than 1% but less than 5% on an annual basis and the Brunp Group Procurement Framework Agreement is a connected transaction only because it involves a connected person at the subsidiary level, pursuant to Rule 14A.76(2) of the Listing Rules, such transactions will, upon [**REDACTED**], constitute continuing connected transactions of our Company subject to the annual reporting and annual review requirements under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules, but exempt from the independent Shareholders' approval requirement under Rule 14A.36 of the Listing Rules.

5. Provision of products to Brunp Group

Principle terms

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a framework agreement (the "**Brunp Group Provision Framework Agreement**") with Brunp China, pursuant to which, Brunp Group will procure various products produced and supplied by the Group, including but not limited to, ternary precursors and MHP, and Brunp Group shall have the right to purchase MHP produced by PT QMB New Energy Material in proportion to its equity ratio in PT QMB New Energy Material.

The initial term of the Brunp Group Provision Framework Agreement will commence on the [**REDACTED**] and end on December 31, 2028. Both parties or their respective subsidiaries or associates will enter into separate underlying agreements which will set out the specific terms and conditions according to the principles provided in the Brunp Group Provision Framework Agreement.

Reasons for the transaction

Our Group is engaged in, among others, the provision of ternary precursors and MHP. Given our competitive edge in the industry and the suitability and quality of our products, our Group's products meet the business needs of Brunp Group. Brunp Group procured our Group's ternary precursors and MHP from time to time for its ordinary course of business.

Pricing policies

The fees to be paid by Brunp Group to us under the Brunp Group Provision Framework Agreement shall be determined based on arm's length negotiation between our Group and Brunp Group with reference to (i) the historical and prevailing market price, including but not limited to, the market price indices related to ternary precursors and MHP, (ii) the type of products to be provided, (iii) the terms, price and conditions offered to other independent third-party customers, and (iv) the transaction volume of the products to be provided. The terms shall be no less favorable to our Group compared to those transactions between our Group and Independent Third Parties, which are in the best interests of our Company and our Shareholders as a whole.

Historical amounts

For the years ended December 31, 2023, 2024 and 2025, the historical transaction amounts with respect to the transactions contemplated under the Brunp Group Provision Framework Agreement were approximately RMB3,464.75 million, RMB5,013.05 million and RMB1,619.22 million, respectively.

Annual caps

The following table sets forth the proposed annual caps for the annual transaction amounts under the Brunp Group Provision Framework Agreement:

	For the years ending December 31, 2026	For the years ending December 31, 2027	For the years ending December 31, 2028
	(RMB in million)	*(RMB in million)*	*(RMB in million)*
Total fees payable by Brunp Group to us	3,113.00	3,801.00	4,561.00

The proposed annual caps are determined based on:

(i) the historical amounts of the transactions contemplated under the Brunp Group Provision Framework Agreement during the Track Record Period;

(ii) the expected amount of sales of the above products by our Group to Brunp Group to meet the projected business needs and development of Brunp Group as well as the future growth prospects of the new energy materials sector within the industry in the next few years; and

(iii) other factors including but not limited to the costs and expenses relating to market trends.

Note:

The historical amounts and the proposed annual caps are on tax exclusive basis.

Listing Rules implications

As the highest applicable percentage ratio of the transactions contemplated under the Brunp Group Procurement Framework Agreement for the three years ending December 31, 2028 calculated for the purpose of Chapter 14A of the Listing Rules will be more than 5% on an annual basis, pursuant to Rule 14A.76(2) of the Listing Rules, such transactions will, upon [**REDACTED**], constitute continuing connected transactions of our Company subject to the annual reporting, annual review, announcement and independent Shareholders' approval requirements under Rules 14A.35, 14A.49 and 14A.71 of the Listing Rules. Our Directors (including independent non-executive Directors), after reviewing the terms of the Brunp Group Procurement Framework Agreement, are of the view that the Brunp Group Procurement Framework Agreement and the transactions proposed thereunder are entered into in the ordinary and usual course of business of the Group on normal commercial terms or better terms (as defined in the Listing Rules). The terms of the Brunp Group Procurement Framework Agreement and the proposed annual caps are fair and reasonable and are in the overall interests of the Company and its shareholders. Therefore, our Directors have approved the Brunp Group Procurement Framework Agreement and the transactions proposed thereunder. Brunp Group is a connected person of the Company at the subsidiary level (and not at the issuer level). Pursuant to Rule 14A.101 of the Listing Rules, the transactions proposed under the Brunp Group Procurement Framework Agreement are only subject to the requirements of annual reporting, annual review and announcement under Chapter 14A of the Listing Rules, and are exempt from complying with the requirements of circular, independent financial advice and independent shareholders' approval.

INTERNAL CONTROL PROCEDURES ADOPTED BY THE COMPANY FOR IMPLEMENTING THE CONTINUING CONNECTED TRANSACTIONS FRAMEWORK AGREEMENT

Our Group adopts the following internal control measures to ensure that the transactions will be carried out in accordance with the terms of the abovementioned framework agreements, including the pricing policies, and in compliance with all the applicable requirements under the Listing Rules:

- we have adopted a connected transactions management policy for the purpose of ensuring that connected transactions will be conducted in a fair manner, on normal commercial terms and in the interests of our Company and our Shareholders as a whole;

- prior to the execution of the underlying agreements under the abovementioned framework agreements, the operation department of the relevant business sector of our Group will compare the terms of the proposed transactions (including pricing and other contractual terms) with those similar transactions entered with Independent Third Parties or the terms offered to Independent Third Parties (as the case may be) to ensure that the terms of agreements shall be no less favorable to our Group than those offered by our Group to Independent Third Parties;

- the finance team of our Group shall regularly examine the pricing of the connected transactions to ensure that those transactions are conducted in accordance with the pricing terms therein;

- the internal control team of our Group shall periodically review the pricing of the connected transactions against the prices negotiated between our Group and Independent Third Parties for similar products and services, to ensure that the terms of the agreements under the continuing connected transactions are not less favorable to our Group than terms between our Group and the Independent Third Parties;

- the finance and business teams of our Group shall periodically monitor the transaction amount under the continuing connected transactions and, when it is expected that the transaction amount might exceed the annual cap, promptly report in accordance with our Group's connected transactions management policy to ensure that the Company complies with all the applicable requirements under the Listing Rules, including to revise the relevant annual cap when appropriate;

- the legal team of our Group has reviewed the terms of the continuing connected transactions and shall in case of any proposed change to the major terms of the transactions, ensure that the Company complies with all the applicable requirements under the Listing Rules, including but not limited to publishing an announcement; and

- our independent non-executive Directors and auditors will conduct annual review of the continuing connected transactions under the framework agreements and provide annual confirmations in accordance with Rules 14A.55 and 14A.56 of the Listing Rules.

WAIVER

As the partially-exempt continuing connected transactions set out above are expected to continue on a recurring and continuing basis, the Directors consider that compliance with the above announcement requirements will be impractical, will incur unnecessary administrative costs for us, and will be unduly burdensome to the Group.

Accordingly, the Group has applied to the Stock Exchange for, and the Stock Exchange has granted a waiver to us under Rule 14A.105 of the Listing Rules from compliance with the announcement requirement in respect of the Morowali Group Procurement Framework Agreement, the Morowali Group Provision Framework Agreement, the Brunp Group Procurement Framework Agreement, the Brunp Group Provision Framework Agreement and the transactions contemplated thereunder.

DIRECTORS' CONFIRMATION

Our Directors (including independent non-executive Directors) are of the view that: (i) the continuing connected transactions set out above have been and will be entered into in our ordinary and usual course of business on normal commercial terms or better, on terms that are fair and reasonable, and in the interests of our Company and our Shareholders as a whole, and (ii) the proposed annual caps for these transactions are fair and reasonable and in the interests of our Company and the Shareholders as a whole.

JOINT SPONSORS' CONFIRMATION

The Joint Sponsors concur with our Directors' view that the aforesaid partially-exempt continuing connected transactions, for which a waiver has been sought, has been entered into in the ordinary and usual course of our business on normal commercial terms or better terms, are fair and reasonable and in the interests of our Company and our Shareholders as a whole, and that the proposed annual caps in respect of the partially-exempt continuing connected transactions are fair and reasonable and in the interests of our Company and our Shareholders as a whole.