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Jiangsu Lopal Tech. Group Co., Ltd.

江蘇龍蟠科技集團股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2465)

Proposed Issuance of A Shares to Specific Target and Related Matters

Reference is made to the announcement on the resolutions of the meeting of the Board dated August 20, 2025, in relation to, among other things, the consideration and approval by the Board on the matters related to the Proposed Issuance of A Shares to specific target. In 2025, the Company achieved balanced and stable growth in assets and liabilities, maintained strength in key performance indicators, implemented effective and orderly risk management, and delivered operating results in line with expectations. To further consolidate the capital foundation for sound and stable operation and development, continuously improve the quality and efficiency of serving the real economy, and enhance comprehensive competitiveness, risk resilience, and sustainable profitability, the Company proposes to issue A Shares to specific target. The proceeds to be raised will be entirely used for construction of high-performance phosphate iron-based positive electrode material (磷酸鹽型正極材料) project and general working capital.

The Company will hold an EGM to consider and approve, among other things, the Proposed Issuance of A Shares to specific target and related matters, and seek the grant of a specific mandate from Shareholders for the Proposed Issuance of A Shares. A circular containing, among other things, details of the Proposed Issuance of A Shares to specific target and related matters, together with the notice of the EGM, will be published in due course.

Shareholders and potential investors should note that the Proposed Issuance of A Shares is subject to the consideration and approval of the EGM, as well as the approval and/or registration of relevant regulatory authorities. Accordingly, there is no assurance that the Proposed Issuance of A Shares will take place or as to when it will take place. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

1. PROPOSED ISSUANCE OF A SHARES AND RELATED MATTERS

(A) Proposed Issuance of A Shares to specific target

In 2025, the Company achieved balanced and stable growth in assets and liabilities, maintained strength in key performance indicators, implemented effective and orderly risk management, and delivered operating results in line with expectations. To further consolidate the capital foundation for sound and stable operation and development, continuously improve the quality and efficiency of serving the real economy, and enhance comprehensive competitiveness, risk resilience, and sustainable profitability, the Company proposes to issue A Shares to specific target. The proceeds to be raised will be entirely used for construction of high-performance phosphate iron-based positive electrode material (磷酸鹽型正極材料) project and general working capital. In accordance with the relevant provisions of laws, regulations, and normative documents such as the Company Law, the Securities Law, and the Measures for Administration of Registration, as well as the Articles of Association, the specific plan for the Proposed Issuance of A Shares to specific target is proposed as follows:

(a) Type and par value of the A Shares to be issued

The new shares proposed to be issued under the Proposed Issuance of A Shares are domestically listed RMB Ordinary Shares (A Shares) of the Company, with a par value of RMB1.00 per A Share.

(b) Issue method and time

The Proposed Issuance of A Shares will be conducted by way of issuing new A Shares to specific target and will be carried out at an appropriate time within the validity period of the approval of the CSRC on the consent for registration after review and approval by the Shanghai Stock Exchange.

(c) Target subscribers and subscription method

Under the Proposed Issuance of A Shares, there will be no more than 35 subscribers, which satisfy the relevant requirements of the CSRC, including securities investment fund management companies, securities firms, trust companies, finance companies, insurance companies, qualified foreign institutional investors (QFII), as well as other legal persons, natural persons or other qualified investors which satisfy the requirements of laws and regulations. A securities investment fund management company, a securities firm, a wealth management company, an insurance company, a QFII or a Renminbi QFII subscribing for the new A Shares through two or more of the products under its management shall be deemed as one single target subscriber. Target subscribers which are trust investment companies shall only subscribe for the new A Shares with their own funds.

The specific target subscribers will be determined by the Board within the scope of authorisation granted by the EGM together with the sponsor (lead underwriter) *(Note 1)* upon approval by the Shanghai Stock Exchange and in accordance with the provisions of the relevant laws, administrative regulations, departmental rules or regulatory documents and based on the quotations for subscription submitted by the target subscribers after obtaining registration and approval documents for the application for Proposed Issuance of A Shares to specific target subscribers from the CSRC.

As at the date of this announcement, the Company has not entered into any agreement with any potential subscriber in relation to the Proposed Issuance of A Shares. It is expected that each of the specific target subscribers will be a party who is not a connected person (as defined in the Hong Kong Listing Rules) of the Company and is third party independent of the Company and the connected persons (as defined in the Hong Kong Listing Rules) of the Company) (an "**Independent Third Party**") and none of such other specific target subscribers are expected to become a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company after completion of the subscription under the Proposed Issuance of A Shares. In the event that any target subscriber is a connected person of the Company, the Company will take necessary actions to comply with applicable requirements under the Hong Kong Listing Rules as and when required and appropriate.

All the target subscribers will subscribe for the A Shares to be issued under the Proposed Issuance of A Shares in cash. If the regulatory authorities have other provisions on the qualifications of the shareholders of the target subscribers and corresponding review procedures, such provisions shall prevail.

Note 1: As at the date of this announcement, the Company has not appointed any sponsor or underwriter. The Company will appoint a sponsor (lead underwriter) and enter into a sponsor agreement on normal commercial terms as and when appropriate.

(d) Pricing determination date, issue price and pricing methods

The price for the Proposed Issuance of A Shares shall be determined through bidding, and the price determination date of the Proposed Issuance of A Shares (the "**Price Determination Date**") shall be the first day of the offer period. The issue price of the Proposed Issuance of A Shares (the "**Issue Price**") shall be no less than 80% of the average trading price of the A Shares for the 20 trading days preceding but excluding the Price Determination Date. Based on the abovementioned principles, the final Issue Price shall be determined by the Board (pursuant to the authorization granted at the general meeting) with the sponsor (lead underwriter) based on the prices offered by the target subscribers and through negotiation in accordance with relevant laws and regulations as well as the issuance bidding.

During the period from the Price Determination Date to the Issue Date, in the event of ex-dividend and ex-right activities such as distribution of dividend, bonus share issue, conversion of capital reserve into share capital and others, the issue price for the Proposed Issuance of A Shares shall be adjusted accordingly, and the adjustment formulas shall be as follows:

In the event of distribution of cash dividends: $P_1 = P_0 - D$;

In the event of bonus issues or capitalisation issues: $P_1 = P_0/(1 + N)$;

In the event that the above two items occurring simultaneously: $P_1 = (P_0 - D)/(1 + N)$.

Where: P_1 denotes the issue price after adjustment; P_0 denotes the issue price before adjustment; N denotes the number of bonus shares issued per share or number of shares converted from capital reserve into share capital; D denotes the cash dividend per Share.

(e) Number of Shares to be issued

Subject to the approval of the CSRC, the number of A Shares to be issued under the Proposed Issuance of A Shares will be determined by dividing the total amount of proceeds by the Issue Price. At the same time, the number of new A Shares to be issued shall not exceeding 30% of the total share capital of the Company immediately prior to the Proposed Issuance of A Shares. Accordingly, the maximum number of new A Shares that may be issued under the Proposed Issuance of A Shares will be 205,523,670 A Shares, representing 30% of the total number of Shares in issue as of the date of this announcement.

In the event that the Company grants bonus shares, converts capital reserve into share capital or carries out any other ex-right activities during the period commencing from the date on which the board of the Company approved the Proposed Issuance of A Shares to the date of issue under the Proposed Issuance of A Shares, or the total share capital of the Company changes as a result of share repurchase, employee share incentive schemes or other matters, the number of new A Shares to be issued under the Proposed Issuance of A Shares shall be adjusted accordingly.

The final issue size of the Proposed Issuance of A Shares shall be determined by the Board or its authorized person(s) (pursuant to the authorization granted at the general meeting) with the sponsor (lead underwriter) according to the cap approved by the CSRC and the Issue Price.

(f) Arrangement for lock-up period

The new A Shares to be issued to specific targets under the Proposed Issuance of A Shares will be subject to a lock-up period of six months from the date of completion of the Proposed Issuance of A Shares.

(g) Listing venue

The new A Shares to be issued under the Proposed Issuance of A Shares will be listed and traded on the Shanghai Stock Exchange.

(h) Arrangement of accumulated profits before the completion of the Proposed Issuance of A Shares

The accumulated undistributed profits of the Company prior to the completion of the Proposed Issuance of A Shares will be shared by both new and existing Shareholders after the completion of the Proposed Issuance of A Shares.

(i) Scale and use of proceeds

The proceeds from the Proposed Issuance of A Shares is estimated to be no more than RMB2.0 billion. The proceeds will be used for construction of high-performance phosphate iron-based positive electrode material (磷酸鹽型正極材料) project and general working capital, with details as follows:

No.	Project Name	Total Project Investment *(RMB'000)*	Proposed Use of Proceeds *(RMB'000)*
1	110,000-ton High-performance Phosphate Iron-Based Positive Electrode Material Project	1,000,000.00	800,000.00
2	85,000-ton High-performance Phosphate Iron-Based Positive Electrode Material Project	790,000.00	600,000.00
3	Supplemental Working Capital	600,000.00	600,000.00
Total		**2,390,000.00**	**2,000,000.00**

The proceeds from the Proposed Issuance of A Shares are expected to be applied to projects that are different from those disclosed in the Prospectus.

(j) Validity period of the resolution of the Proposed Issuance of A Shares

The resolution for the Proposed Issuance of A Shares to specific target shall be valid for a period of 12 months, commencing from the date on which the relevant proposals are considered and approved by the Shareholders at its general meeting.

(B) Conditions Precedent of the Proposed Issuance of A Shares

The Proposed Issuance of A Shares will be subject to the following conditions:

(a) consideration and approval by the Board;

(b) consideration and approval by way of special resolution by the Shareholders at a general meeting of the Company;

(c) obtaining the approval by the Shanghai Stock Exchange;

(d) obtained the consent for registration from the CSRC; and

(e) compliance with the applicable requirements under the Hong Kong Listing Rules and Shanghai Listing Rules. The Proposed Issuance of A Shares shall be subject to the plan finally approved by the aforementioned regulatory authorities.

As at the date of this announcement, the resolution in relation to the Proposed Issuance of A Shares has been passed at the 41st meeting of the fourth session of the Board.

(C) Impact of the Proposed Issuance of A Shares on Shareholding Structure of the Company

Based on the issue of 205,523,670 new A Shares (representing the maximum number of new A Shares that may be issued under the Proposed Issuance of A Shares) and the shareholding structure of the Company as of the date of this announcement and assuming that there are no changes to the total issued shares of the Company from the date of this announcement and up to the completion of the Proposed Issuance of A Shares, the shareholding structure of the Company as of the date of this announcement and immediately after the completion of the Proposed Issuance of A Shares is set forth below:

	As of the date of this announcement		**Immediately after the completion of the Proposed Issuance of A Shares**	
	Number of Shares	*%*[4]	*Number of Shares*	*%*[4]
A Shares				
Non-public shareholders				
Shi Junfeng[1]	212,662,195	31.14	212,662,195	23.93
Zhu Xianglan[1]	23,618,649	3.46	23,618,649	2.66
Nanjing Bailey Venture Capital Center (Limited Partnership)[1]	1,901,208	0.28	1,901,208	0.21
Lu Zhenya[2]	241,988	0.04	241,988	0.03
Qin Jian[2]	230,832	0.03	230,832	0.03
Shen Zhiyong[2]	218,112	0.03	218,112	0.02
Zhang Yi[2]	195,792	0.03	195,792	0.02
Xu Suxia[2]	33,056	0.00	33,056	0.00
Total number of A Shares held by the non-public shareholders	**239,101,832**	**35.01**	**239,101,832**	**26.91**

	As of the date of this announcement		Immediately after the completion of the Proposed Issuance of A Shares	
	Number of Shares	*%*[4]	*Number of Shares*	*%*[4]
Public shareholders				
Other shareholders of A Shares	323,894,671	47.42	323,894,671	36.45
Target subscribers[3]	—	—	205,523,670	23.13
Total number of A Shares held by the public shareholders	**323,894,671**	**47.42**	**529,418,341**	**59.58**
Total number of A Shares (excluding the 2,082,400 A Shares held by the Company as treasury shares)[5]	**562,996,503**	**82.43**	**768,520,173**	**86.49**
H Shares				
Public shareholders				
Shareholders of H Shares	120,000,000	17.57	120,000,000	13.51
Total number of H Shares	**120,000,000**	**17.57**	**120,000,000**	**13.51**
Total number of Shares held in the hands of the public	**443,894,671**	**64.99**	**649,418,341**	**73.09**
Total (excluding the 2,082,400 A Shares held by the Company as treasury shares)[5]	**682,996,503**	**100.00**	**888,520,173**	**100.00**

Notes:

1. Mr. Shi Junfeng ("**Mr. Shi**") is the spouse of Ms. Zhu Xianglan ("**Ms. Zhu**"). Nanjing Bailey Venture Capital Center (Limited Partnership) (南京貝利創業投資中心(有限合夥)) ("**Nanjing Bailey**") is a limited partnership established in the PRC, holding 1,901,208 A Shares, which is managed by Lopal International Holdings Co., Ltd. (龍蟠國際控股有限公司) ("**Lopal International**") as its general partner. Lopal International is a limited company established in the PRC, which is owned as to 90% by Mr. Shi and 10% by Ms. Zhu. Mr. Shi, Ms. Zhu and Nanjing Bailey together hold 238,182,052 A Shares, representing approximately 34.87% and 26.81% of the total issued Shares (excluding 2,082,400 A Shares held by the Company as treasury shares) as of the date of this announcement and immediately after the completion of the Proposed Issuance of A Shares, respectively.

2. Each of Mr. Lu Zhenya, Mr. Qin Jian, Mr. Shen Zhiyong and Mr. Zhang Yi is an executive director of the Company. Ms. Xu Suxia is spouse of Mr. Qin Jian. Thus, each of Mr. Lu Zhenya, Mr. Qin Jian, Mr. Shen Zhiyong, Mr. Zhang Yi and Ms. Xu Suxia are core connected persons of the Company and are non-public shareholders.

3. The target subscribers under the Proposed Issuance of A Shares are expected to be Independent Third Parties. Thus, all new A Shares to be issued under the Proposed Issuance of A Shares will be held in the hands of the public.

4. Certain percentage figures included in this table have been subject to rounding adjustments. Any discrepancies in this table between totals and sums of amounts listed therein are due to rounding.

5. The figures in this table has not taken into account the 2,082,400 A Shares held by the Company as treasury shares.

As at the date of this announcement, based on the information available to the Company and to the knowledge of the Board, the Company's public float complies with the relevant requirements of Rule 19A.13A of the Hong Kong Listing Rules. Assuming that 205,523,670 A Shares under the Proposed Issuance of A Shares are entirely issued, the percentage of the Shares (A Shares and H Shares in aggregate) held by the public in the total number of the Shares after the Proposed Issuance of A Shares is expected to be approximately 73.09%. The Company's public float will still be able to comply with the relevant requirements of Rule 19A.13A of the Hong Kong Listing Rules. The Company will closely monitor the percentage of public float to ensure its compliance, at all times, with relevant requirements for public float.

As at the date of this announcement, the Company has not entered into or intends to enter into any agreement with any connected persons in connection with the Proposed Issuance of A Shares.

(D) Reasons for and benefits of the Proposed Issuance of A Shares

The Company is a major lithium iron phosphate ("**LFP**") cathode material manufacturer in the world and a renowned automotive specialty chemical manufacturer in mainland China. With the rapid development of downstream industries, the demand for LFP batteries continues to grow and LFP cathode materials have become a strategic material in the new energy industry. The Group will continue to leverage its global presence and deep industry insights to differentiate the Group from other market players. The funds raised from the Proposed Issuance of A Shares will be used for the construction of high-performance phosphate iron-based positive electrode material (磷酸鹽型正極材料) project, which is in line with national industry policies and will enable the Group to further enhance its production capacity and in turn allow the Group to increase its market share. In addition, by placing new A Shares to the target subscribers who are Independent Third Parties will enable the Company to optimize its capital structure and reduce its asset-liability ratio.

The Company started considering the Proposed Issuance of A Shares in or around July 2025 after the listing of H Shares on October 30, 2024 having taken into account the overall market sentiment and the rise in transaction price of A Shares by the end of June 2025.

(E) Equity Fund Raising Activities in the Past 12 Months

During the past 12 months immediately prior to the date of this announcement, the Company was listed on the Main Board of the Hong Kong Stock Exchange on October 30, 2024. The net proceeds from the Global Offering amounted to approximately HKD495.0 million and a gross proceeds of approximately HKD550.0 million. The Company intends to use the net proceeds in the same matter and proportion as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus and as of the date of this announcement, there has been no change in the intended use of the net proceeds.

Reference is made to the announcements of the Company dated December 20, 2024 and February 10, 2025 and the circular of the Company dated January 8, 2025. On December 20, 2024, the Company, LBM New Energy (AP) Pte. Ltd. ("**LBM**") (an indirect non-wholly owned subsidiary of the Company), Changzhou Liyuan New Energy Technology Co., Ltd. (常州鋰源新能源科技有限公司) ("**Changzhou Liyuan**"), PT Akasya Investasi Indonesia and Aisis Alliance L.P. entered in a subscription agreement ("**LBM Subscription by INA and Aisis**"), pursuant to which PT Akasya Investasi Indonesia and Aisis Alliance L.P. conditionally agreed to subscribe for the shares of LBM, representing approximately 34.01% and 11.34% of the enlarged share capital of LBM upon completion at the subscription price of USD150,000,000 and USD50,000,000 respectively. The subscription has been completed on February 10, 2025. LBM shall apply no less than 85% of the proceeds of the subscription for the capital and operational expenses for the development of the Indonesia Phase 2 Plant, with funds to be gradually utilized in accordance with the progress of its development. Provided that the funding required for the development of the Indonesia Phase 2 Plant remains unaffected, such proceeds may also be utilized for the operational expenses incurred in the ordinary course of business of the Indonesia Phase 1 Plant and/or the operational expenses incurred in the ordinary course of business of LBM but in any event such utilization of the proceeds shall not exceed 15% of the total proceeds from the subscription. As of the date of this announcement, part of the proceeds from the subscription has been utilised. Furthermore, as of the date of this announcement, the Company has no intention to change its intended use of the proceeds from the subscription.

Reference is made to the announcement of the Company dated February 21, 2025 and circular of the Company dated March 27, 2025. On February 21, 2025, LBM, PT LBM Energi Baru Indonesia ("**PT LBM**") (an indirect non-wholly owned subsidiary of the Company) and LG Energy Solution, Ltd. ("**LG**") entered into a subscription agreement and the shareholders agreement; and the Company, Changzhou Liyuan, LBM, PT LBM and LG entered into a side letter agreement ("**PT LBM Subscription by LG**"). Under the subscription agreement, at the closing, PT LBM shall issue to LG, and LG shall subscribe for a total of 255,930.64 newly issued shares of PT LBM for an aggregate subscription price of USD15,970,911.12, which upon issuance will collectively represent 20% of the issued and outstanding share capital of PT LBM on a fully diluted basis. PT LBM shall apply approximately half of the proceeds from the subscription for the settlement of the final payment to the contractors for the construction of the Indonesia Phase 1 Plant, and the remaining half for the purchase of relevant facilities and equipment for the operation of the Indonesia Phase 1 Plant. It is expected that the proceeds will be fully utilized by the end of the third quarter of 2025. The closing of the subscription took place on August 11, 2025 and as of the date of this announcement, none of the proceeds from the subscription has been utilised. Furthermore, as of the date of this announcement, the Company has no intention to change its intended use of the proceeds from the subscription.

Reference is made to the announcement of the Company dated June 4, 2025 and June 12, 2025. On June 4, 2025, the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Company has agreed to appoint the Placing Agent, and the Placing Agent has conditionally agreed, as the Company's placing agent, to procure, on a best effort basis, not less than six Placees, who are and whose ultimate beneficial owners are Independent Third Parties, to purchase up to an aggregate of 20,000,000 new H Shares at the Placing Price of HK$6.00 per H Shares (the "**Placing**"). Completion of the Placing took place on June 12, 2025 in accordance with the terms and conditions of the Placing Agreement. The net proceeds of approximately HK$116.89 million from the Placing are intended to be used for (i) general working capital and repaying the Group's outstanding debts; and (ii) transformation of the low conductivity coolant production line. It is expected that the proceeds will be fully utilized by the end of 2025. As of the date of this announcement, none of the proceeds from the Placing has been utilised. Furthermore, as of the date of this announcement, the Company has no intention to change its intended use of the proceeds from the Placing.

Save for the above, the Company had not conducted any other fund raising exercise by issuing equity securities in the past 12 months immediately before the date of this announcement.

2. SPECIFIC MANDATE FOR THE PROPOSED ISSUANCE OF A SHARES

The Company will issue A Shares pursuant to a specific mandate to be sought from Shareholders at the EGM.

The final net issue price per A Share under the Proposed Issuance of A Shares shall be determined according to the final issuance price, cost of issuance and other factors and will be announced separately upon the completion of the Proposed Issuance of A Shares.

The A Shares under the Proposed Issuance of A Shares will only be entitled to dividends distributed after the completion of the Proposed Issuance of A Shares.

3. REQUESTING THE SHAREHOLDERS' GENERAL MEETING TO AUTHORISE THE BOARD TO DEAL WITH MATTERS RELATED TO THE PROPOSED ISSUANCE OF A SHARES TO SPECIFIC TARGET

To ensure the smooth implementation of Proposed Issuance of A Shares to specific target, it is proposed to request the general meeting to authorise the Board and its delegates to deal with matters related to the issuance in accordance with relevant laws, regulations, as well as the opinions and recommendations from regulatory authorities, including but not limited to:

1. To formulate, adjust, amend and implement the specific plan for the Proposed Issuance of A Shares to specific target in accordance with the resolution on the Proposed Issuance of A Shares to specific target considered and approved by the general meeting to the extent permitted by laws and regulations, other normative documents and the Articles of Association, in conjunction with market conditions, policy adjustments or regulatory opinions and the Company's specific situation, including but not limited to, determine the timing, scale, price, method, target and other matters related to the issuance.

2 To carry out work involved in the projects to be funded with the proceeds from the issuance, including signing material contracts and other relevant legal documents in the implementation of the projects funded with the proceeds from the issuance.

3. To engage relevant intermediaries and sign relevant agreements with them to deal with the application matters relating to the issuance.

4. To deal with all application and implementation matters for the issuance and listing, including but not limited to: submitting applications, registrations, filings, approvals and other procedures to relevant government agencies, regulatory authorities, stock exchanges and securities depository and clearing agencies; preparing, signing, implementing, amending, responding to and completing all necessary documents related to the issuance and listing.

5. To draft, amend, sign, supplement, submit, report, terminate and implement all agreements and documents arising from the issuance, including but not limited to underwriting agreements, sponsorship agreements, intermediary engagement agreements and other legal documents.

6. To open a special deposit account for the proceeds and sign agreements on the management and use of proceeds.

7. To adjust the specific arrangements for the projects to be funded with the proceeds to the extent permitted by laws and regulations and within the scope of the approval of the Shareholder's general meeting, according to the requirements of the relevant competent authorities and the actual conditions of the market.

8. In case of force majeure, new provisions of relevant laws, regulations or policies or changes in market conditions, the Company may, in accordance with applicable national provisions, requirements from relevant government and securities regulatory authorities (including application feedback of the issuance), as well as market conditions and the Company's actual operational circumstances, make appropriate adjustments to the specific terms of the issuance, including but not limited to the use of proceeds, investment amounts, and implementation arrangements, and proceed with the issuance without further Shareholder approval, except where such adjustments involve matters requiring renewed Shareholder approval under applicable laws, regulations, and the Articles of Association.

9. Upon obtaining the approval for the issuance from the CSRC and with authorization, to prepare, amend, supplement, execute, submit, receive and implement all agreements and documents related to the issuance, and to handle all matters concerning the registration, custody, restricted share lock-up (if applicable) of the Shares issued under the issuance with the Shanghai Stock Exchange and securities depository and clearing institutions, as well as the listing procedures on the Shanghai Stock Exchange.

10. To increase the Company's registered capital, amend the relevant provisions of the Articles of Association and complete the industrial and commercial registration changes and other related procedures in accordance with the implementation results of the issuance.

11. To decide to suspend, postpone or terminate the issuance under the premise of protecting the Company's interests.

12. To postpone the implementation of the issuance plan, or proceed with handling of matters related to the issuance in accordance with the updated policies, laws, regulations, and normative documents governing the issuance of shares by listed companies, at its own discretion in the event of force majeure or other

circumstances that may result in difficulties in the implementation of the issuance, or, although feasible, the implementation will result in adverse impacts to the Company, or if there are changes in the relevant policies, laws, regulations, rules, or normative documents pertaining to the issuance of shares by listed companies.

13. To act on behalf of the Company in all other necessary, appropriate and suitable matters related to the issuance within the scope permitted by laws, regulations, normative documents, and the Articles of Association.

14. For matters related to the specific implementation of the issuance after the CSRC's approval of the share registration, the authorization shall remain valid from the date of approval by the Company's general meeting until the completion of such implementation matters. For all other authorized matters, the validity period shall be twelve months from the date of approval by the Company's general meeting.

4. GENERAL INFORMATION

The Company will hold an EGM to consider and approve, among other things, the Proposed Issuance of A Shares to specific target and related matters, and seek the grant of a specific mandate from Shareholders for the Proposed Issuance of A Shares. A circular containing, among other things, details of the Proposed Issuance of A Shares to specific target and related matters, together with the notice of the EGM, will be published in due course.

Shareholders and potential investors should note that the Proposed Issuance of A Shares is subject to the consideration and approval of the EGM, as well as the approval and/or registration of relevant regulatory authorities. Accordingly, there is no assurance that the Proposed Issuance of A Shares will take place or as to when it will take place. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

5. DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

"A Share(s)"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which is/are listed on the Shanghai Stock Exchange
"A Shareholder(s)"	holder(s) of the A Share(s)
"Articles of Association"	the Articles of Association of the Company (as amended from time to time)

"associate(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"Board"	the board of Directors of the Company
"Company"	Jiangsu Lopal Tech. Group Co., Ltd. (江蘇龍蟠科技集團股份有限公司), a joint stock company established in the PRC on March 11, 2003 converted from the predecessor Jiangsu Lopal Petrochemical Co., Ltd.* (江蘇龍蟠石化有限公司) into a joint stock company with limited liability under the PRC Company Law on January 23, 2014, the A Shares of which are listed on the Shanghai Stock Exchange with the stock code of 603906 and the H Shares of which are listed on the Stock Exchange with the stock code of 2465
"Company Law"	the Company Law of the People's Republic of China
"CSRC"	China Securities Regulatory Commission
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, to approve, among other things, the Proposed Issuance of A Shares to specific target and related matters
"Global Offering"	the global offering of the H Shares, details of which were disclosed in the Prospectus
"Group"	the Company and its subsidiaries
"H Share(s)"	overseas listed foreign Share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are to be traded in HK dollars and is/are listed for trading on the Hong Kong Stock Exchange
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Issue Date"	the date of the registration of the shares to be issued under the Proposed Issuance of A Shares to specific target subscribers to the stock accounts in securities registration and settlement institutions of the target subscribers
"Measures for Administration of Registration"	the Measures for Administration of Registration of Securities Offering by Listed Companies
"Ordinary Shares"	A Shares and H Shares
"PRC"	the People's Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan Region
"Proposed Issuance of A Shares"	the proposed issuance of not more than 205,523,670 A Shares by the Company to not more than 35 specific target subscribers
"Prospectus"	the prospectus of the Company dated October 22, 2024
"RMB"	Renminbi, the lawful currency of the PRC
"Securities Law"	the Securities Law of the People's Republic of China
"Share(s)"	ordinary share(s) in the capital of the Company with nominal value of RMB1.00 each
"Shareholder(s)"	the holder(s) of the Share(s)
"subsidiary" or "subsidiaries"	shall have the meaning ascribed to it under the Hong Kong Listing Rules
"%"	per cent

By order of the Board
Jiangsu Lopal Tech. Group Co., Ltd.
SHI Junfeng
Chairman

Nanjing, PRC
August 20, 2025

As at the date of this announcement, the Board comprises Mr. SHI Junfeng, Mr. LU Zhenya, Mr. QIN Jian, Mr. SHEN Zhiyong and Mr. ZHANG Yi as executive Directors; Ms. ZHU Xianglan as non-executive Director; Mr. LI Qingwen, Mr. YE Xin, Ms. GENG Chengxuan and Mr. HONG Kam Le as independent non-executive Directors.