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Jiangsu Zenergy Battery Technologies Group Co., Ltd.
江蘇正力新能電池技術股份有限公司

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

(Stock Code: 3677)

COMPLETION OF PLACING OF NEW H SHARES UNDER GENERAL MANDATE AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Sole Overall Coordinator and Sole Placing Agent

CITIC SECURITIES

The Board is pleased to announce that all conditions under the Placing Agreement have been fulfilled and the completion of the Placing took place on October 24, 2025. Pursuant to the terms and conditions of the Placing Agreement, 45,921,000 Placing Shares have been successfully placed by the Sole Placing Agent to not less than six Placees at the Placing Price of HK$10.98 per Placing Share.

Reference is made to the announcement of Jiangsu Zenergy Battery Technologies Group Co., Ltd. (the "**Company**") dated October 17, 2025 in respect of the placing of 45,921,000 new H Shares under the General Mandate (the "**Announcement**"). Unless otherwise stated, the terms used in this announcement shall have the same meaning as defined in the Announcement.

COMPLETION OF THE PLACING

The Board is pleased to announce that all conditions under the Placing Agreement have been fulfilled and completion of the Placing took place on October 24, 2025. An aggregate of 45,921,000 new H Shares have been placed by the Sole Placing Agent to not less than six Placees at the Placing Price of HK$10.98 per H Share pursuant to the terms and conditions of the Placing Agreement, representing approximately 1.80% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately upon completion of the Placing.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placees and their respective ultimate beneficial owners are Independent Third Parties, and none of the Placees have become a substantial shareholder (as defined in the Listing Rules) of the Company upon completion of the Placing.

REASONS FOR AND USE OF PROCEEDS FROM THE PLACING

Reasons for the Placing

Firstly, the robust growth in NEV market demand, coupled with the increase in customer orders and design-wins, has driven the Company to accelerate the expansion of its production capacity.

In the first half of 2025, the global new energy vehicle (NEV) market has entered into a phase of sustained and robust growth, with China's NEV production and sales volumes recording year-on-year increase of 41.4% and 40.3% in the first half of 2025, respectively, and the Company has also achieved an improvement both in ranking and market share in battery installed capacity industry, with the delivery volume of the Company's EV battery recorded 7.63 GWh in the first half of 2025, representing a year-on-year increase of over 80% compared to the first half of 2024.

To ensure proper and effective use of fund resources and be responsible to its Shareholders, the Company's production capacity expansion plan is subject to the principle of demand-driven. In the second and third quarters of 2025, the Company obtained more orders and design-wins from its major customers. However, the Company's current production capacity and additional production capacity upon completion of Phase I of new production facility in Changshu (the "**Phase I Facility**") in the fourth quarter of 2025 have been fully utilized by other existing customer orders. Taking into account all the abovementioned facts and circumstances, the Company considers it is essential to accelerate production capacity expansion, particularly, the construction of Phase II of new production facility in Changshu (the "**Phase II Facility**"), to meet the anticipated order demand for 2026 and 2027, grasp development opportunities and achieve a greater commercial success. The Company will keep evaluating and refining its capacity plans to stay responsive to evolving market demand.

It is noted that the product development cycle for NEVs has shortened from the traditional 3-5 years for internal combustion engine vehicles to just 1-2 years, therefore, upon obtaining design-wins, battery manufacturers are expected to carry out speedy plant construction to meet the automakers' product launch milestones. Hence, the Phase II Facility, which was initially scheduled for completion by the end of 2026, is now expected to be completed by the third quarter of 2026. The cooperation between automakers and battery manufacturers on a designated vehicle model generally extends throughout the entire lifecycle of that model, and automakers and battery manufacturers always maintain a highly integrated partnership. Accelerating the construction of Phase II Facility to satisfy the design-wins from customers, who have more predictable vehicle sales volumes, would ensure greater order stability for the Company.

Secondly, intensive competition in R&D of cutting-edge technologies requires the Company to invest more to maintain its competitive edge.

The EV battery industry has been stepping up efforts in advancing cutting-edge technologies, expediting the transition of breakthrough innovations – such as all-solid-state batteries – from laboratory research to industrial application. Accelerating R&D of all-solid-state battery by the establishment of the pilot line and investing in various advanced R&D activities will enable the Company to continue to be one of the pioneers, and consolidate the business barrier and competitive advantages.

In addition, given the rapid development and iteration of products and technologies in the industry, it is necessary for the Company to increase investment in emerging advanced technologies on a continuous basis in order to maintain its competitive edge.

Thirdly, given the rapidly evolving market landscape, replenishing the Company's working capital will help strengthen investment in its daily core activities.

In response to the strong and increasing customers' demand and intensified market competition, the Company takes the view that it is essential to maintain adequate reserves of raw materials and key components, to ensure timely fulfillment of orders. Moreover, with accelerated capacity expansion and organic business growth, the Company is expected to attract and retain more top professionals in operations, R&D, engineering, and marketing. This would further improve its market competitiveness and consolidate the Company's leading position in the rapidly evolving global new energy industry.

In light what mentioned above, the Placing is the result of the Company's constant effort to optimize its competition and investment strategy. In addition, the Company has also fully discussed and deliberated on the considered alternative financing option, and finally arrived at the conclusion that the Placing is the most appropriate course of action for the Company to take in order to satisfy its funding needs.

Use of Proceeds from the Placing

The gross proceeds from the Placing were approximately HK$504.21 million. The Company received net proceeds from the Placing, after deducting the placing commission and other related expenses and professional fees, of approximately HK$500.38 million.

Set out below is the breakdown of the use of the net proceeds:

Use of net proceeds from the Placing	Approximate percentage of total proceeds from the Placing	Allocation of net proceeds from the Placing (HK$ million)	Expected timeline for utilizing net proceeds from the Placing
1. To support the Group's construction, equipment purchases and preparation costs in relation to the construction of Phase II of the new Changshu production facility	70%	350.26	
(1) used for the construction of factories, manufacturing lines and supportive warehouses	24.5%	122.59	Before December 31, 2027
(2) used for the purchase and installation of production equipment, storage equipment, control systems and equipment	42%	210.16	Before December 31, 2027
(3) used for preliminary production preparation, trial production and other expenses	3.5%	17.51	Before December 31, 2027
2. Construction of the pilot line of all-solid-state battery	10%	50.04	Before December 31, 2027
3. R&D activities	10%	50.04	Before December 31, 2027
4. Working capital and general corporate purposes	10%	50.04	Before December 31, 2027

SHAREHOLDING STRUCTURE OF THE COMPANY UPON COMPLETION OF THE PLACING

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the shareholding structure of the Company (i) immediately before completion of the Placing; and (ii) immediately upon the Closing is set out as follows:

	Immediately before completion of the Placing		Immediately upon completion of the Placing	
	Number of Shares	Approximate Percentage of the total number of Shares in issue	Number of Shares	Approximate Percentage of the total number of Shares in issue
Unlisted Shares	**1,069,127,364**	**42.62%**	**1,069,127,364**	**41.85%**
Unlisted Shares held by our core connected persons	940,871,639	37.51%	940,871,639	36.83%
Ms. Cao Fang and Mr. Chen Jicheng[(1)]	598,319,817	23.85%	598,319,817	23.42%
Shareholders ultimately controlled by different levels of government within Jiangsu Province[(2)]	177,888,497	7.09%	177,888,497	6.96%
Shareholders ultimately controlled by different levels of government within Fujian Province[(3)]	164,663,325	6.56%	164,663,325	6.45%
Unlisted Shares held by the public	128,255,725	5.11%	128,255,725	5.02%
H Shares	**1,439,372,739**	**57.38%**	**1,485,293,739**	**58.15%**
H Shares held by our core connected persons	908,506,732	36.22%	908,506,732	35.57%
Ms. Cao Fang and Mr. Chen Jicheng[(1)]	560,693,101	22.35%	560,693,101	21.95%
Shareholders ultimately controlled by different levels of government within Jiangsu Province[(2)]	181,284,799	7.23%	181,284,799	7.10%
Shareholders ultimately controlled by different levels of government within Fujian Province[(3)]	166,528,832	6.64%	166,528,832	6.52%
H Shares held by the public	530,866,007	21.16%	576,787,007	22.58%
H Shares held by existing Shareholders	530,866,007	21.16%	530,866,007	20.78%
H Shares held by the Placees	–	–	45,921,000	1.80%
Total	**2,508,500,103**	**100.00%**	**2,554,421,103**	**100.00%**

Notes:

(1) This includes interests held by (i) Nanjing Miaode Enterprise Management Consulting Partnership (Limited Partnership) and Nanjing Xuande Enterprise Management Consulting Partnership (Limited Partnership), which are indirectly controlled by Ms. Cao Fang, our Chairperson and executive Director, and Mr. Chen Jicheng, our executive Director; (ii) Changshu Zhengli No. 1 Management Consulting Partnership (Limited Partnership) and Changshu Zhengli No. 2 Management Consulting Partnership (Limited Partnership), each of which is controlled by Ms. Cao Fang; (iii) Changshu SINOGY Venture Capital Co., Ltd., which is held as to 52% and 48% by Ms. Cao Fang and Mr. Chen Jicheng; and (iv) Changshu Zenergy Investment Co., Ltd., which is held as to 46%, 42% and 12% by Mr. Chen Jicheng, Ms. Cao Fang and Changshu SINOGY Venture Capital Co., Ltd. Ms. Cao Fang and Mr. Chen Jicheng have been acting in concert with each other, and are deemed under the Securities and Futures Ordinance interested in the Shares held by the abovementioned Shareholders.

(2) This includes interests held by Suzhou Suchuang Energy Investment Partnership (L.P.), Changshu Southeast Industrial Investment Co., Ltd., Changshu Southeast Investment Holding Co., Ltd., Changshu Southeast Xinneng Equity Investment Partnership (L.P.), Nanjing Lukou Konggang Investment Development Co., Ltd., Jiangsu State-Owned Enterprise Mixed Ownership Reform Fund (Limited Partnership) and Jiangsu Suzhou High-end Equipment Industry Special Mother Fund (Limited Partnership), which are aggregated and collectively regarded as our substantial Shareholders for the purpose of public float.

(3) This includes interests held by Huafu Growth Investment Co., Ltd., Ningbo Meishan Free Trade Port Xingsi Shenglian Investment Partnership (L.P.), Xingzheng Capital Management Co., Ltd., Xiamen C&D Emerging Industry Equity Investment No. 2 Partnership (L.P.) and Xiamen ITG Group Corp., Ltd., which are aggregated and collectively regarded as our substantial Shareholders for the purpose of public float.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with the resolution in relation to the General Mandate passed at the annual general meeting of the Company held on June 27, 2025, the general meeting of the Company has authorized the Board to make any amendments to the Articles of Association as it thinks fit so as to reflect the new share capital structure of the Company as a result of issuance of additional Shares under the General Mandate.

As the completion of the Placing took place on October 24, 2025, the registered capital and total number of shares of the Company have been changed to RMB2,554,421,103 and 2,554,421,103, respectively. To reflect such changes in the registered capital and total number of shares of the Company, corresponding amendments to the Articles of Association (the "**Amendments to the Articles of Association**") have been made by the Board pursuant to the above authorization granted by the general meeting and become effective from the date of completion of the Placing.

The registration, filing and other matters in respect of the Amendments to the Articles of Association will be completed with the relevant government or regulatory authorities in the PRC and Hong Kong. The full text of the amended Articles of Association is available on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.zenergy.cn).

By order of the Board
Jiangsu Zenergy Battery Technologies Group Co., Ltd.
Ms. Cao Fang
Chairperson of the Board and Executive Director

Changshu, the PRC, October 24, 2025

As of the date of this announcement, the Board comprises: (i) Ms. Cao Fang, Mr. Chen Jicheng and Mr. Yu Zhexun as executive Directors; (ii) Mr. Zhang Li as non-executive Director; and (iii) Mr. Xu Zhiming, Mr. Gong Zhengliang and Ms. Xiao Min as independent non-executive Directors.