LEAPMOTOR

ZHEJIANG LEAPMOTOR TECHNOLOGY CO., LTD.
浙江零跑科技股份有限公司

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

(Stock Code: 9863)

CONTINUING CONNECTED TRANSACTION
CARBON DIOXIDE CREDITS TRANSFER AGREEMENT

CARBON DIOXIDE CREDITS TRANSFER AGREEMENT

On 31 March 2026, Leapmotor, a subsidiary of the Company, entered into a carbon dioxide credits transfer agreement with Stellantis Subsidiaries, pursuant to which Leapmotor agreed to transfer, and Stellantis Subsidiaries agreed to purchase the carbon dioxide credits generated by the sale and registration of all battery electric vehicles (BEV) and range extended electric vehicles (REEV) under the Leapmotor brand in the European and UK markets in 2026.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Stellantis Subsidiaries are wholly-owned subsidiaries directly or indirectly controlled by Stellantis, and Stellantis holds 19.99% of the total number of issued shares of the Company. Therefore, both Stellantis and Stellantis Subsidiaries are connected persons of the Company. Pursuant to Chapter 14A of the Listing Rules, the Carbon Dioxide Credits Transfer Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company.

As the applicable percentage ratios in respect of the transaction amounts under the Carbon Dioxide Credits Transfer Agreement are more than 0.1% but less than 5%, the Carbon Dioxide Credits Transfer Agreement and the transactions thereunder are subject to reporting and announcement requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

The board (the “**Board**”) of directors (the “**Directors**”) of Zhejiang Leapmotor Technology Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 31 March 2026, Leapmotor Automobile Co., Ltd. (“**Leapmotor**”), a subsidiary of the Company, entered into a carbon dioxide credits transfer agreement (the “**Carbon Dioxide Credits Transfer Agreement**”) with Stellantis Auto SAS, Automobiles Peugeot SA, Automobiles Citroen SAS, Opel Automobile GmbH, Stellantis Europe S.p.A., Alfa Romeo S.p.A. and FCA US LLC (the“**Stellantis Subsidiaries**”), pursuant to which Leapmotor agreed to transfer and Stellantis Subsidiaries agreed to purchase the carbon dioxide credits generated by the sale and registration of all battery electric vehicles (BEV) and range extended electric vehicles (REEV) under the Leapmotor brand in the EU and UK markets in 2026.

The principal terms of the Carbon Dioxide Credits Transfer Agreement are set out below:

Carbon Dioxide Credits Transfer Agreement

Date:	31 March 2026
Parties:	Leapmotor, a subsidiary of the Company; and Stellantis Subsidiaries
Term:	From 31 March 2026 to 31 December 2026 (both days inclusive)
Principal terms:	Leapmotor agreed to transfer to Stellantis Subsidiaries and Stellantis Subsidiaries agreed to purchase the carbon dioxide credits generated by the sale and registration of all battery electric vehicles and range extended electric vehicles under the Leapmotor brand in the EU and UK markets in 2026.
Pricing policy:	The transfer price was determined after arm’s length negotiation between the two parties with reference to the market price and the supply and demand of carbon dioxide credits. The Company will make reference to the quotations and terms of transactions of a similar nature from at least two independent third parties to ensure the fairness of the terms of the Carbon Dioxide Credits Transfer Agreement.
Payment arrangement:	Leapmotor should issue invoices to Stellantis Subsidiaries within 10 calendar days after confirmation of the carbon dioxide credits generated in every quarter, and Stellantis Subsidiaries should pay the corresponding amount within 30 calendar days after the invoice is issued.

Historical Amount

	For the year ended 31 December 2025 *(RMB million)*
Consideration for the transfer of carbon dioxide credits from Leapmotor to Stellantis Subsidiaries	1,109.6

Annual Caps and Annual Caps Basis

	For the year ending 31 December 2026 *(RMB million)*
Consideration for the transfer of carbon dioxide credits from Leapmotor to Stellantis Subsidiaries	2,800.0

The proposed annual caps on the transfer of carbon dioxide credits by Leapmotor to Stellantis Subsidiaries were determined with reference to:

1. The historical transaction amount for the transfer of carbon dioxide credits by the Company in 2025;

2. Considering that the Company will have more diverse channel network and lineup of export models in 2026 to support its higher sales targets for the year, the growth expectation for carbon dioxide credits transaction amounts is well-supported. Accordingly, it is anticipated that the transaction amount for carbon dioxide credits will more than double;

3. The number of carbon dioxide credits corresponding to each vehicle model of the Company under the EU regulatory framework (EU 2023/851) and the UK regulatory framework (Climate Change Road Traffic – Vehicle Emissions Trading Scheme Order No. 1394 of 2023);

4. The unit price of each carbon dioxide credit determined according to the market supply and demand and the market price; and

5. The risk of RMB-EUR exchange rate changes.

REASONS FOR AND BENEFITS OF THE CARBON DIOXIDE CREDITS TRANSFER AGREEMENT AND THE TRANSACTIONS THEREUNDER

The relevant EU and UK regulatory regimes limit the total amount of carbon dioxide that each company can emit and allow companies to trade the outstanding balance of carbon dioxide emissions (i.e. carbon dioxide credits). As a new energy vehicle manufacturer, the Group has a greater amount of outstanding balance of carbon dioxide emissions under the relevant EU and UK regulatory regimes. Transferring carbon dioxide credits to Stellantis Subsidiaries can effectively expand the revenue sources of the Group, and will also help the Group fulfill its corporate social responsibilities and contribute to the green economy.

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Carbon Dioxide Credits Transfer Agreement are on normal commercial terms, which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As Mr. Grégoire Olivier and Mr. Davide Mele are members of the leadership team of Stellantis N.V ("**Stellantis**"), Mr. Grégoire Olivier and Mr. Davide Mele, Directors of the Company, are deemed as having material interests in the Carbon Dioxide Transfer Agreement and the transactions thereunder, and have abstained from voting on the relevant resolutions of the Board. Save as mentioned above, no other Directors have a material interest in the Carbon Dioxide Transfer Agreement and are required to abstain from voting on the relevant resolutions of the Board.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Stellantis Subsidiaries are wholly-owned subsidiaries directly or indirectly controlled by Stellantis, and Stellantis holds 19.99% of the total number of issued shares of the Company. Therefore, both Stellantis and Stellantis Subsidiaries are connected persons of the Company. Pursuant to Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the Carbon Dioxide Credits Transfer Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company.

As the applicable percentage ratios in respect of the transaction amounts under the Carbon Dioxide Credits Transfer Agreement are more than 0.1% but less than 5%, the Carbon Dioxide Credits Transfer Agreement and the transactions thereunder are subject to reporting and announcement requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTERNAL CONTROL MEASURES

As a general principle, the prices and terms in respect of the above transactions will be determined in the ordinary course of business, on normal commercial terms or better, negotiated on arm's length basis, on similar basis as the Group transacts business with other independent third parties and shall be on terms which are no less favourable to the Group than those offered to other independent third parties.

In order to ensure that the continuing connected transactions are conducted on normal commercial terms or better and in accordance with the Group's pricing policy and will not be detrimental to the interests of the Company and the Shareholders as a whole, the terms of the individual agreements will be on normal commercial terms and on terms no less favorable to that offered to the independent third party pursuant to the aforesaid Carbon Dioxide Credits Transfer Agreement, and the proposed annual caps under the Carbon Dioxide Credits Transfer Agreement will not exceed the proposed annual caps, the Group has adopted the following internal control measures:

(i) the Company will regularly conduct market pricing research of relevant products/services and benchmark pricing analysis in accordance with the pricing policy occasionally;

(ii) the Group has approved internal guidelines which provide that if the value of any proposed connected transaction is expected to exceed certain thresholds, the relevant staff must report the proposed transactions to the head of the relevant business unit in order for the Company to commence the necessary additional assessment and approval procedures and ensure that the Company will comply with the applicable requirements under Chapter 14A of the Listing Rules;

(iii) the Company will provide information and supporting documents to the independent non – executive Directors and the auditors in order for them to conduct an annual review of the continuing connected transactions entered into by the Company. In accordance with the requirements under the Listing Rules, the independent non-executive Directors will provide an annual confirmation to the Board as to whether the continuing connected transactions have been entered into in the ordinary and usual course of business of our Group, are on normal commercial terms and are in accordance with the agreement governing trading on terms that are fair and reasonable and in the interests of the Shareholders as a whole, and the auditors will provide an annual confirmation to the Board as to whether anything has come to their attention that causes them to believe that the continuing connected transactions have not been approved by the Board, are not in accordance with the pricing policies of our Group in all material respects, are not entered into in accordance with the relevant agreements governing the transactions in all material respects or have exceeded the cap; and

(iv) when considering any renewal of or revisions to the Carbon Dioxide Credits Transfer Agreement, the interested Directors and Shareholders shall abstain from voting on the resolutions to approve such transactions at board meetings or shareholders' general meetings (as the case may be). If the independent Directors' or independent Shareholders' approvals cannot be obtained, the Company will not continue the transactions under the above Carbon Dioxide Credits Transfer Agreement to the extent that they constitute non-exempt continuing connected transactions under Chapter 14A of the Listing Rules. Accordingly, the Directors are of the view that the internal control mechanism is effective in ensuring that the transactions contemplated under the continuing connected transactions have been and will be carried out on normal commercial terms or on better terms and will not be detrimental to the interests of the Company and the Shareholders as a whole.

GENERAL INFORMATION

The Company is a NEV company based in China that possesses full-suite R&D capabilities in NEV's core technologies. The Company designs, develops, manufactures and sells NEVs, and at the same time develops and manufactures EIC core components and provides vehicle internet solutions based on cloud computing. With an aim to maximize user value, it strives to provide products and services which deliver superior experience beyond expectation.

Leapmotor is a limited liability company established under the laws of the PRC on 12 January 2017 and specializes in NEV manufacturing. As at the date of this announcement, Leapmotor is a wholly-owned subsidiary of the Company.

Stellantis is one of the world's leading automakers and a mobility provider. Its storied and iconic brands embody the passion of their visionary founders and today's customers in their innovative products and services. Powered by diversity, lead the way the world moves – aspiring to become the greatest sustainable mobility tech company, not the biggest, while creating added value for all stakeholders as well as the communities in which it operates. As at the date of this announcement, Stellantis holds 19.99% of the total number of issued shares of the Company.

Stellantis Subsidiaries are the vehicle manufacturers under Stellantis. As of the date of this announcement, Stellantis Subsidiaries are the wholly-owned subsidiaries directly or indirectly controlled by Stellantis.

By order of the Board
Zhejiang Leapmotor Technology Co., Ltd.
Mr. Zhu Jiangming
Founder, Chairperson of the Board and
Chief Executive Officer

Hong Kong, 31 March 2026

As at the date of this announcement, the Board comprises Mr. Zhu Jiangming, Mr. Cao Li and Mr. Zhou Hongtao as executive Directors; Mr. Grégoire Olivier, Mr. Davide Mele and Mr. Jin Yufeng as non-executive Directors; and Mr. Fu Yuwu, Ms. Drina C Yue, and Mr. Shen Linhua as independent non-executive Directors.