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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)

ANNOUNCEMENT

CHANGE IN THE USE OF THE REMAINING UNUTILIZED PROCEEDS FROM THE LG SUBSCRIPTION

References are made to (i) the announcements of the Company dated February 21, 2025 and August 11, 2025, the circular of the Company dated March 27, 2025 (the "**March 2025 Circular**") in relation to, among other things, entering of the subscription agreement and investment in the construction and operation of the Indonesia Phase 1 Plant (the "**LG Subscription**"); and (ii) the circular of the Company dated December 9, 2025 in relation to the refreshment of general mandate (the "**Refreshment Circular**"). Unless otherwise defined, terms used in this announcement shall have the same meaning as defined in the March 2025 Circular.

THE PROPOSED CHANGE IN USE OF THE REMAINING UNUTILIZED PROCEEDS FROM THE LG SUBSCRIPTION

As disclosed in the March 2025 Circular, on February 21, 2025, LBM New Energy (AP) Pte. Ltd. ("**LBM**", a private company limited by shares incorporated in Singapore and an indirect non-wholly owned subsidiary of the Company), PT LBM Energi Baru Indonesia ("**PT LBM**", the target company) and LG Energy Solution, Ltd. ("**LG**", the investor) entered into the Subscription Agreement and the Shareholders Agreement; and the Company, Changzhou Liyuan New Energy Technology Co., Ltd. (常州鋰源新能源科技有限公司, "**Changzhou Liyuan**", a limited liability company established in the PRC and a direct non-wholly owned subsidiary of the Company), LBM, PT LBM and LG entered into the Side Letter Agreement. 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.

As disclosed in the March 2025 Circular, it was originally intended that PT LBM should 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. The closing of the subscription took place on August 11, 2025. As disclosed in the Refreshment Circular, due to the timing of receipt of funds from LG, certain payments for construction and purchase of facilities and equipment had been due and payable before the proceeds from the subscription were available for use, and thus they were settled by the Group's own funds. As such, the revised allocation of the proceeds are set out as: (i) approximately USD3,070,000 (approximately 19.22% of the proceeds from the LG Subscription) of the proceeds from the LG Subscription is intended for the settlement of the final payment to the contractors for the construction of the Indonesia Phase 1 Plant, while (ii) the remainder of approximately USD12,901,000 (approximately 80.78% of the proceeds from the LG Subscription) is intended for the purchase of relevant facilities and equipment for the operation of the Indonesia Phase 1 Plant.

As of the date of this announcement, (i) approximately USD1,491,200 (approximately 9.34% of the proceeds from the LG Subscription) have been utilized to settle all payments to the contractors for the construction of the Indonesia Phase 1 Plant and (ii) approximately USD9,719,200 (approximately 60.86% of the proceeds from the LG Subscription) have been utilized to purchase relevant facilities and equipment for the operation of the Indonesia Phase 1 Plant, an aggregate of approximately USD4,760,600 (approximately 29.81% of the proceeds from the LG Subscription) of proceeds from the LG Subscription remains unutilized (the "**Unutilized Proceeds**").

The Board announces that upon the conclusion of the 3rd meeting of the fifth session of the Board, it approved the resolution on the change in the use of (i) approximately USD1,578,500 (approximately 9.88% of the proceeds from the LG Subscription) of the Unutilized Proceeds from settlement of the final payment to the contractors for the construction of the Indonesia Phase 1 Plant and (ii) approximately USD1,882,100 (approximately 11.78% of the proceeds from the LG Subscription) of the Unutilized Proceeds from purchase of relevant facilities and equipment for the operation of the Indonesia Phase 1 Plant into the general working capital in relation to the Indonesia Phase 1 Plant (the "**Proposed Change**").

The remainder of the Unutilized Proceeds after the Proposed Change, amounting to a total of approximately USD1,300,000 (approximately 8.14% of the proceeds from the LG Subscription), continues to be utilized for the purchase of relevant facilities and equipment for the operation of the Indonesia Phase 1 Plant as originally intended before the Proposed Change.

DETAILS OF THE PROPOSED CHANGE

The proposed adjustments to the use of the Unutilized Proceeds are set out below:

(Unit: USD '000)

Intended purpose	Proceeds allocated for intended purpose (% of proceeds from the LG Subscription)	Utilized proceeds for intended purpose as of the date of this announcement (% of proceeds from the LG Subscription)	Unutilized proceeds as of the date of this announcement (% of proceeds from the LG Subscription)	Unutilized proceeds after the Proposed Change (% of proceeds from the LG Subscription)	Expected timeline of utilizing the remaining proceeds after the Proposed Change
Settlement of the final payment to the contractors for the construction of the Indonesia Phase 1 Plant	3,070.0 (19.22%)	1,491.2 (9.34%)	1,578.5 (9.88%)	—	N/A
Purchase of relevant facilities and equipment for the operation of the Indonesia Phase 1 Plant	12,901.0 (80.78%)	9,719.2 (60.86%)	3,182.1 (19.92%)	1,300.0 (8.14%)	By the end of the second quarter of 2026
General working capital in relation to the Indonesia Phase 1 Plant	—	—	—	3,460.6 (21.67%)	By the end of the second quarter of 2026
Total	**15,971.0 (100.00%)**	**11,210.4 (70.20%)**	**4,760.6 (29.81%)**	**4,760.6 (29.81%)**	

Note: Any discrepancies between totals and sums of the percentage figures listed herein are due to rounding adjustments.

REASONS FOR AND BENEFITS OF THE PROPOSED CHANGE

The Board assesses the plans for the use of the unutilized proceeds from the LG Subscription on an ongoing basis and revises or modifies such plans where necessary in response to the developing trends of global and domestic economic conditions, so as to determine the most effective use of the unutilized proceeds with a view to promoting a better growth and development of the Group.

The Proposed Change is a prudent decision made given (i) the completion of settlement of the final payment to the contractors for the construction of the Indonesia Phase 1 Plant and (ii) there would be excess unutilized proceeds after further considering the funding requirements for the remaining purchase of the relevant facilities and equipment for the operation of the Indonesia Phase 1 Plant. As such, the Proposed Change aligns better with the Company's development strategy and actual operating conditions, and is conducive to promoting the efficiency of utilizing the Unutilized Proceeds.

The Board confirms that the Proposed Change will not have any material adverse effect on the existing business and operations of the Group and is in the interest of the Company and its shareholders as a whole.

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

Nanjing, PRC
March 31, 2026

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; and Ms. GENG Chengxuan, Mr. HONG Kam Le, Mr. ZHANG Jinlong and Mr. LU Jian as independent non-executive Directors.