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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)

CONNECTED TRANSACTION
CAPITAL INCREASE AGREEMENT

CAPITAL INCREASE AGREEMENT

On May 11, 2026, the Company, together with each of the remaining Changzhou Liyuan Shareholders, entered into the Capital Increase Agreement with Changzhou Liyuan (a non-wholly owned subsidiary of the Company) and the Series B Investor in relation to, among others, the capital contribution by the Series B Investor in the sum of RMB440.00 million by cash to Changzhou Liyuan to subscribe for approximately RMB61.17 million of Changzhou Liyuan's registered capital, representing approximately 6.83% of the share capital of Changzhou Liyuan as enlarged by the increase in registered capital.

The Changzhou Liyuan Shareholders agreed to waive their pre-emptive rights in respect of the Capital Increase. Upon completion of the Capital Increase, the shareholding ratio of the Company in Changzhou Liyuan will decrease from approximately 66.42% to 61.88%. Accordingly, Changzhou Liyuan will continue to be a subsidiary of the Company upon completion of the Capital Increase and its financial results will continue to be consolidated into the financial statements of the Company.

LISTING RULES IMPLICATIONS

Exempted connected transaction

As CATL is the sole shareholder of Yichun Times and Yichun Times is the substantial shareholder of Lopal Times (a non-wholly owned subsidiary of the Company), CATL CP Group are connected persons of the Company at the subsidiary level. Ningbo Meishan, as a wholly-owned subsidiary of CATL, is therefore an associate of CATL and thus a connected person of the Company.

Mr. Shi Junfeng, an executive Director, owns 99.9% of Changzhou Youbeili. Mr. Shen Zhiyong and Mr. Zhang Yi, both executive Directors, own 99% and 1% of Nanjing Jinbeili respectively. Changzhou Youbeili and Nanjing Jinbeili are therefore connected persons of the Company. Accordingly, the Capital Increase Agreement and the transactions contemplated thereunder constitute connected transaction of the Company pursuant to Chapter 14A of the Listing Rules.

Further, as the Capital Increase will result in a reduction in the percentage of equity interests held by the Company in Changzhou Liyuan from approximately 66.42% to approximately 61.88%, the Capital Increase therefore constitutes a deemed disposal pursuant to Rule 14.29 of the Listing Rules.

As the highest applicable percentage ratio in respect of the Capital Increase exceeds 0.1% but is less than 5%, the Capital Increase does not constitute a notifiable transaction under Chapter 14 of the Listing Rules, and is only subject to the reporting and announcement requirements, but is exempt from the circular (including independent financial advice) and the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Repurchase rights in the Capital Increase Agreement

The right to exercise the repurchase right is vested with the Series B Investor in accordance with the Capital Increase Agreement. The Series B Repurchase Right (as defined below) will be treated as if exercised at the time of its grant pursuant to Rule 14.74(1) of the Listing Rules. Given that the applicable percentage ratio in respect of the maximum consideration payable under the Series B Repurchase Right for the equity interests of the Series B Investor under the formula set out for the Series B Repurchase Right is less than 5%, the Series B Repurchase Right does not constitute a notifiable transaction for the Company and are not subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

References are made to the Prospectus in relation to the details of the Series Angel Capital Increase Agreement and the Series A Capital Increase Agreement, the announcement of the Company dated May 30, 2025 and circular of the Company dated June 27, 2025 in relation to, among other things, entering of the capital increase agreement pursuant to which the Company made the capital contribution of approximately RMB369.71 million to Changzhou Liyuan to subscribe for approximately RMB55.51 million of Changzhou Liyuan's registered capital (the "**Previous Investment**").

CAPITAL INCREASE AGREEMENT

On May 11, 2026, the Company, together with each of the remaining Changzhou Liyuan Shareholders, entered into the Capital Increase Agreement with Changzhou Liyuan (a non-wholly owned subsidiary of the Company) and the Series B Investor in relation to, among others, the capital contribution by the Series B Investor in the sum of RMB440.00 million by cash to Changzhou Liyuan to subscribe for approximately RMB61.17 million of Changzhou Liyuan's registered capital, representing approximately 6.83% of the share capital of Changzhou Liyuan as enlarged by the increase in registered capital. The remainder of approximately RMB378.83 million will be recognised as capital reserve in the financial statements of Changzhou Liyuan.

The Changzhou Liyuan Shareholders agreed to waive their pre-emptive rights in respect of the Capital Increase. Upon completion of the Capital Increase, the shareholding ratio of the Company in Changzhou Liyuan will decrease from approximately 66.42% to 61.88%. Accordingly, Changzhou Liyuan will continue to be a subsidiary of the Company upon completion of the Capital Increase and its financial results will continue to be consolidated into the financial statements of the Company.

The major terms of the Capital Increase Agreement in relation to the Capital Increase are as follows:

Date: May 11, 2026

Parties:

(1) the Company;

(2) the remaining Changzhou Liyuan Shareholders;

(3) Changzhou Liyuan (a subsidiary of the Company); and

(4) the Series B Investor

Composition of the board of directors:	The board of directors of Changzhou Liyuan shall comprise seven directors, out of which Ningbo Meishan shall have the right to nominate one candidate, Kunlun Gongrong shall have the right to nominate one candidate and the Company shall have the right to nominate five candidates, provided that Kunlun Gongrong shall cease to have such director nomination right when it holds less than 3% equity interests in Changzhou Liyuan.
Composition of the supervisory committee:	The supervisory committee of Changzhou Liyuan shall comprise three supervisors, out of which Ningbo Meishan shall have the right to nominate one candidate.
Liquidation preference:	In the event of statutory liquidation such as liquidation, dissolution or termination of business, or any Deemed Liquidation (as defined in the Prospectus), of Changzhou Liyuan (collectively, the "**Liquidating Events**"), out of the remaining balance of proceeds from the disposal of assets of Changzhou Liyuan after payment of liquidation fees, wages, social security fees and statutory compensations, outstanding tax liabilities and outstanding debts in accordance with the applicable laws, (the "**Distributable Liquidation Proceeds**") the Investors (the "**Liquidation Preference Holders**") (shall have liquidation preference to obtain the higher of the following (the "**Investors Preferential Liquidation Amount**"): (I) (a) in relation to the Series Angel Investors, the Series Angel Liyuan Repurchase Price; (b) in relation to the Series A Investors, the Series A Liyuan Investors Repurchase Price, or (c) in relation to the Series B Investor, the Series B Investor Repurchase Price (as defined below), in each case with reference to their respective equity interest holding in Changzhou Liyuan at the material time; and (II) the amount of the Distributable Liquidation Proceeds that is proportionate to the equity holding percentage of the Liquidation Preference Holders in Changzhou Liyuan at the time.

If the Distributable Liquidation Proceeds are insufficient to pay all Investors Preferential Liquidation Amount, the Distributable Liquidation Proceeds will be distributed to the Liquidation Preference Holders according to their relative proportion of preferential liquidation amount to which such Liquidation Preference Holders are entitled. Further, if the actual amount to be received by the respective Liquidation Preference Holder(s) are less than the applicable Investors Preferential Liquidation Amount, the Company shall pay such shortfall to such Liquidation Preference Holder(s).

Repurchase right: In the event of any of the following, the Series B Investor shall have the right to demand the Company or its designated party to repurchase the equity interest in Changzhou Liyuan held by the Series B Investor (the "**Series B Repurchase Right**"):

(a) Changzhou Liyuan fails to complete a qualified listing within seven (7) years after the Completion Date, and the Series B Investor and Changzhou Liyuan are unable to reach a consensus on the progress of the qualified listing (for the avoidance of doubt, Changzhou Liyuan undertakes that it shall, within ten (10) Business Days after the occurrence of the triggering event(s) in this clause and the commencement of negotiations between the parties, provide its definitive position regarding the negotiation of schedule adjustments. Otherwise, a triggering event(s) stated in this paragraph is regarded as having occurred and the Series B Investor shall have the right to demand the repurchase);

(b) Changzhou Liyuan or the Company failed to fulfil the obligation to invest the proceeds from the Capital Increase in the construction of the 120,000-ton production base in Jintan; or

(c) Changzhou Liyuan moves its registered address out of the Jintan District in the Jiangsu Province.

If the repurchase right(s) set out above is exercised, the repurchase price in respect of the equity interests in Changzhou Liyuan held by the Series B Investor shall be the amount of capital injected corresponding to the equity interest held by the Series B Investor at the time plus an investment gain at an annual rate of 5% (calculated from the date of actual payment of the capital), and then to be deducted by all dividends received by the Series B Investor (the resultant repurchase price, the "**Series B Investor Repurchase Price**"). The Series B Investor shall have the right to demand the Company or its designated party to repurchase the equity interest by cash, or by issuing new shares of the Company to it.

Specifically, the Series B Investor Repurchase Price is to be calculated using the formula below:

$$\text{Series B Investor Repurchase Price} = \text{Aggregate investment amount} \times \left(1 + \frac{5\% \times \text{investment period}^{\#}}{360 \text{ days}}\right) - \text{any dividends received by the Series B Investor}$$

Investment period refers to the number of days from the Completion Date (as defined below) to the date on which the Company or Changzhou Liyuan pays the Series B Repurchase Price to the Series B Investor in full.

Based on the above formula, given the capital contributed by the Series B Investor of RMB440.00 million to Changzhou Liyuan, the maximum Series B Repurchase Price payable if the Series B Repurchase Right is exercised would be approximately RMB600.42 million.

Other shareholders' rights:

(1) The Capital Increase Agreement contains other terms such as transfer restrictions, right of first refusal, anti-dilution and tag-along right.

Conditions precedent:

The obligation of the Series B Investor to pay the consideration for the Capital Increase shall be subject to the satisfaction (or as waived in writing otherwise) by the Series B Investor of each of the following events (the "**Conditions Precedent**"):

(a) all transaction documents in relation to the Capital Increase having been legally and validly executed by the parties and come into effect, and shall remain in full force and effect until the Completion Date;

(b) each party having obtained all authorisations, resolutions or approvals necessary to perform the Capital Increase Agreement, which shall remain valid and not be subject to any preconditions; and

(c) Changzhou Liyuan and the Major Shareholders having executed and delivered to the Series B Investor the closing certificate certifying that all Conditions Precedent have been fully satisfied (or waived in writing otherwise) and provided all supporting documents to the satisfaction of the Series B Investor.

Payment: Within twenty (20) Business Days after the satisfaction of the Conditions Precedent or waiver in writing by the Series B Investor, the Series B Investor shall remit the consideration for the Capital Increase in a single lump sum into the bank account opened in the name of Changzhou Liyuan and jointly supervised by the Changzhou Liyuan and the Series B Investor.

Completion: Completion of the Capital Increase (the "**Completion**") takes place upon the full payment of the consideration for the Capital Increase by the Series B Investor, and the date of such Completion being effected will be regarded as the Completion date (the "**Completion Date**").

Termination: The Capital Increase Agreement may be terminated in any of the following manners:

(a) all parties to the Capital Increase Agreement mutually agree in writing to terminate the Capital Increase Agreement and determine the effective date of such termination;

(b) prior to the later of (i) the Completion Date or (ii) the date on which the industrial and commercial registration of changes is completed, the Series B Investor shall have the right to terminate the Capital Increase Agreement by providing prior written notice to the other parties thereto and specifying the effective date of termination in such notice, if any of the following circumstances occur:

(i) any of the Conditions Precedent not having been fully satisfied nor waived within thirty (30) Business Days after the effective date of the Capital Increase Agreement; or

(ii) the industrial and commercial registration of changes for this Capital Increase cannot be completed within ninety (90) Business Days from the effective date of the Capital Increase Agreement, or such other date as unanimously agreed upon by the parties thereto;

(c) failure of the Series B Investor to (i) pay the consideration for the Capital Increase in full and on time as prescribed by the Capital Increase Agreement; and (ii) fully remedy such breach within thirty (30) Business Days after receiving written notice from the Company, upon which the Company shall have the right to unilaterally notify the Series B Investor in writing to cancel its right to increase capital in Changzhou Liyuan without assuming any liability with effect on and from the date of such written notice; or

(d) a force majeure event which renders the continued performance of the Capital Increase Agreement impossible, upon which any party thereto shall have the right to terminate the Capital Increase Agreement by providing written notice to each of the other parties, and shall specify the effective date of termination in such notice.

BASIS FOR DETERMINATION OF THE AMOUNT OF CONSIDERATION FOR THE CAPITAL INCREASE

The total amount of the capital contribution to be made by the Series B Investor was determined based on the pre-investment worth of Changzhou Liyuan of RMB6,000.00 million, which was determined after arm's length negotiation between both parties with reference to the Previous Appraised Value of Changzhou Liyuan and taking into account market developments and the prevailing operating conditions of Changzhou Liyuan.

SHAREHOLDING STRUCTURE OF CHANGZHOU LIYUAN

The amounts of registered capital contributed by, and the shareholding percentages of, each shareholder of Changzhou Liyuan immediately prior to and after the completion of the Capital Increase are set out below:

Name of shareholders	Registered capital prior to the completion of the Capital Increase	Shareholding percentage prior to the completion of the Capital Increase	Newly-added amount contributed to the registered capital	Registered capital after the completion of the Capital Increase	Shareholding percentage after the completion of the Capital Increase
Company	554,031,398	66.42%	—	554,031,398	61.88%
Jinsha Industrial Investment	—	—	61,169,356	61,169,356	6.83%
Fujian Times Mindong	50,203,125	6.02%	—	50,203,125	5.61%
Ningbo Meishan	46,019,531	5.52%	—	46,019,531	5.14%
Kunlun Gongrong	42,858,091	5.14%	—	42,858,091	4.79%
Changzhou Jintan Hongyuan	35,000,000	4.20%	—	35,000,000	3.91%
Changzhou Youbeili	35,000,000	4.20%	—	35,000,000	3.91%
BTR New Material	31,500,000	3.78%	—	31,500,000	3.52%
Nanjing Jinbeili	17,500,000	2.10%	—	17,500,000	1.95%
Jianxin Financial Asset Investment	15,015,440	1.80%	—	15,015,440	1.68%
Nanjing Chaoli	7,000,000	0.84%	—	7,000,000	0.78%
Total	**834,127,858**	**100.00%**	**61,169,356**	**895,296,941**	**100.00%**

Note: Sum of shareholding percentage of individual shareholders may not equal to the total due to rounding errors.

USE OF PROCEEDS FROM THE CAPITAL INCREASE

The Capital Increase Agreement stipulates that the proceeds from the Capital Increase of the amount RMB440.00 million shall only be strictly applied in their entirety for the purchase of machinery and assets and raw materials procurement in the construction project of the 120,000-ton high-tap density lithium iron phosphate production base (12萬噸高壓實磷酸鐵鋰生產基地) in Jintan of the Jiangsu District. Without the prior written consent of the Series B Investor, none of the proceeds from the Capital Increase shall be used to repay or settle any debts or obligations owed by Changzhou Liyuan to any affiliated party, nor for any other expenditures not related to the principal business of Changzhou Liyuan.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CAPITAL INCREASE AGREEMENT

As disclosed in the announcement dated January 15, 2026 in relation to the change in the use of proceeds from the Global Offering (the "**Change in Use of Proceeds Announcement**"), approximately HKD198.00 million of the net proceeds from the Global Offering is expected to be used to pay for the high-performance lithium battery cathode material project in Jintan in the Jiangsu Province. Given that the proceeds from the Capital Increase is exclusively intended to be applied into the construction of the 120,000-ton lithium iron phosphate production base in Jintan, the Directors are of the view that the entering into of the Capital Increase Agreement aligns with the Group's overall strategic development plan and long-term interests and is consistent with the intended use of the remaining proceeds from the Global Offering as disclosed in the Change in Use of Proceeds Announcement. Upon the completion of the Capital Increase, the competitiveness of Changzhou Liyuan will be strengthened such that Changzhou Liyuan will be in a better position to support the Group's business plans in relation to its high-performance lithium battery cathode material project in Jintan as funded by the net proceeds from its Global Offering.

The Directors (excluding the Connected Directors, but including the independent non-executive Directors) are of the view that, although the Capital Increase is not conducted in the ordinary and usual course of business of the Company, the terms of the Capital Increase Agreement (including the grant of the Series B Repurchase Right) are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Executive Directors, Mr. Shi Junfeng, Mr. Shen Zhiyong and Mr. Zhang Yi, being the Connected Directors by virtue of their interest in the Changzhou Liyuan Shareholders (other than the Company), and non-executive Director Ms. Zhu Xianglan, have abstained from voting on the relevant Board resolution in respect of considering and approving the transaction contemplated under the Capital Increase Agreement at the Board meeting. Save as disclosed above, none of the Directors has any material interest in the transaction contemplated under the Capital Increase Agreement and was required to abstain from voting on the relevant Board resolution.

INFORMATION OF THE COMPANY AND THE PARTIES

The Company and the Group

The Company a joint stock company established in the PRC, the A shares of which are listed on the Shanghai Stock Exchange (SSE: 603906) and the H shares of which are listed on the Main Board of the Stock Exchange (HKEX: 2465). The Group is principally engaged in the production and sale of LFP cathode materials and automotive specialty chemicals.

Changzhou Liyuan

Changzhou Liyuan is a limited liability company established in the PRC on May 12, 2021 and a direct non-wholly owned subsidiary of the Company which is owned as to approximately 66.42% by the Company as at the date of this announcement. Changzhou Liyuan is principally engaged in the production and sales of LFP cathode materials.

Set out below is the financial information extracted from the financial statements of Changzhou Liyuan for the years ended December 31, 2024 and 2025:

	Year ended December 31, 2024 *(RMB'000)* (audited)	**Year ended December 31, 2025** *(RMB'000)* (unaudited)
Operating revenue	5,941,442	6,553,949
Profit/(loss) before tax	(743,374)	(220,808)
Profit/(loss) after tax	(793,460)	(106,294)

As at December 31, 2025, the total asset and net asset value are approximately RMB11,813.25 million and RMB1,550.12 million, respectively.

The Series B Investor

Jinsha Industrial Investment is a limited partnership established in the PRC and is engaged in equity investment. Its general partner is Changzhou Changjin Venture Capital Co., Ltd. (常州常金創業投資有限公司) ("**Changzhou Changjin**") who holds 1% partnership interest in Jinsha Industrial Investment. Excluding the general partner, Jinsha Industrial Investment has one limited partner, namely Jiangsu Jintan Investment Holdings Co. Ltd. (江蘇金壇投資控股有限公司), who holds 99% partnership interest in Jinsha Industrial Investment, and, together with Changzhou Changjin, is indirectly wholly owned and ultimately controlled by the People's Government of Jintan District, Changzhou City (常州市金壇區人民政府).

The remaining Changzhou Liyuan Shareholders

Kunlun Gongrong is a limited partnership established in the PRC and is engaged in investment and asset management business. Its general partners are CPC Kunlun (Beijing) Private Equity Fund Management Co., Ltd* (中油昆侖(北京)私募基金管理有限公司) and ICBC Capital Management Co., Ltd* (工銀資本管理有限公司), each of which holds approximately 0.07% and 0.07% interest respectively. Its limited partners include, among others, ICBC Financial Asset Investment Co., Ltd.* (工銀金融資產投資有限公司), holding 70% interest therein. ICBC Financial Asset Investment Co., Ltd. is wholly-owned by Industrial and Commercial Bank of China Limited (stocks of which are listed on the Stock Exchange, stock code: 1398).

Jianxin Financial Asset Investment is a limited liability company established in the PRC and is engaged in investment and asset management business. It is wholly-owned by China Construction Bank Corporation (shares of which are listed on the Stock Exchange, stock code: 939).

Ningbo Meishan is a limited liability company established in the PRC and is engaged in investment and asset management business. It is wholly-owned by CATL.

Fujian Times Mindong is a limited partnership established in the PRC and is engaged in investment and asset management business. Its general partner is Shanghai Hengxu Chuangling Investment Management Co., Ltd.* (上海恒旭創領投資管理有限公司), holding 0.04% interest. It has five limited partners and the single largest limited partner is Qingdao SAIC Innovation and Upgrading Industry Equity Investment Fund Partnership (L.P.)* (青島上汽創新升級產業股權投資基金合夥企業(有限合夥)) holding 40% interest therein. Qingdao SAIC Innovation and Upgrading Industry Equity Investment Fund Partnership (L.P) is ultimately controlled by SAIC Motor Corporation Limited* (上海汽車集團股份有限公司) (shares of which are listed on the Shanghai Stock Exchange, stock code: 600104). None of the remaining four limited partners hold more than 30% interests therein.

BTR New Material is a joint stock company established in the PRC and the shares of which are listed on the Beijing Stock Exchange (stock code: 835185). It is engaged in the manufacturing of graphite and carbon products.

Changzhou Youbeili is a limited partnership established in the PRC and is engaged in investment and asset management business. Mr. Shi Junfeng, an executive Director and controlling shareholder of the Company, is the general partner holding 99.9% interest in Changzhou Youbeili.

Nanjing Jinbeili is a limited partnership established in the PRC and is engaged in investment and asset management business. The general partner of Nanjing Jinbeili is Mr. Shen Zhiyong, an executive Director, holding 99% interest therein. The limited partner of Nanjing Jinbeili is Mr. Zhang Yi, an executive Director, holding 1% interest therein.

Changzhou Jintan Hongyuan is a limited partnership established in the PRC and is engaged in investment and asset management business. Its general partner is Liu Xiuming (劉修明), holding 47% interest therein. It has ten limited partners. The single largest limited partner is Huang Youyuan (黃友元) holding 34.2% therein and none of the remaining limited partners hold more than 30% interest therein.

Nanjing Chaoli is a limited partnership established in the PRC is engaged in investment and asset management business, the general partner of which is Mr. Xue Jie who holds 80% interest therein. The limited partner is Xie Yichao (解一超), holding 20% interest therein.

Save for Ningbo Meishan, Changzhou Youbeili and Nanjing Jinbeili, each of (i) the remaining Changzhou Liyuan Shareholders listed above, any general and limited partner(s) or otherwise the ultimate beneficial owner(s) thereof and (ii) the Series B Investor is an Independent Third Party of the Group.

LISTING RULES IMPLICATIONS

Exempted connected transaction

As CATL is the sole shareholder of Yichun Times and Yichun Times is the substantial shareholder of Lopal Times (a non-wholly owned subsidiary of the Company), CATL CP Group are connected persons of the Company at the subsidiary level. Ningbo Meishan, as a wholly-owned subsidiary of CATL, is therefore an associate of CATL and thus a connected person of the Company.

Mr. Shi Junfeng, an executive Director, owns 99.9% of Changzhou Youbeili. Mr. Shen Zhiyong and Mr. Zhang Yi, both executive Directors, own 99% and 1% of Nanjing Jinbeili respectively. Changzhou Youbeili and Nanjing Jinbeili are therefore connected persons of the Company. Accordingly, the Capital Increase Agreement and the transactions contemplated thereunder constitute connected transaction of the Company pursuant to Chapter 14A of the Listing Rules.

Further, as the Capital Increase will result in a reduction in the percentage of equity interests held by the Company in Changzhou Liyuan from approximately 66.42% to approximately 61.88%, the Capital Increase therefore constitutes a deemed disposal pursuant to Rule 14.29 of the Listing Rules.

As the highest applicable percentage ratio in respect of the Capital Increase exceeds 0.1% but is less than 5%, the Capital Increase does not constitute a notifiable transaction under Chapter 14 of the Listing Rules, and is only subject to the reporting and announcement requirements, but is exempt from the circular (including independent financial advice) and the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Repurchase rights in the Capital Increase Agreement

The right to exercise the repurchase right is vested with the Series B Investor in accordance with the Capital Increase Agreement. The Series B Repurchase Right will be treated as if exercised at the time of its grant pursuant to Rule 14.74(1) of the Listing Rules. Given that the applicable percentage ratio in respect of the maximum consideration payable under the Series B Repurchase Right for the equity interests of the Series B Investor under the formula set out for the Series B Repurchase Right is less than 5%, the Series B Repurchase Right does not constitute a notifiable transaction for the Company and are not subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors of the Company
"BTR New Material"	BTR New Material Group Co., Ltd. (貝特瑞新材料集團股份有限公司), a joint stock company established in the PRC, the shares of which are listed on the Beijing Stock Exchange (stock code: 835185)
"Business Day(s)"	any day (other than a Saturday, Sunday and statutory holiday) which is a working day in the PRC and Hong Kong
"Capital Increase"	the capital contribution to Changzhou Liyuan by the Series B Investor in the sum of approximately RMB440.00 million according to the Capital Increase Agreement
"Capital Increase Agreement"	the Capital Increase Agreement of Changzhou Liyuan (常州鋰源新能源科技有限公司增資協議) entered into by the Series B Investor, Changzhou Liyuan and Changzhou Liyuan Shareholders (including the Company) on May 11, 2026 in relation to the Capital Increase
"CATL"	Contemporary Amperex Technology Co., Limited (寧德時代新能源科技股份有限公司), a joint stock company established in the PRC on December 16, 2011, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 300750) and the Hong Kong Stock Exchange (stock code: 3750), which was an indirect shareholder controlling (i) 30% equity interest in Lopal Times, through Yichun Times, and (ii) 5.91% equity interest in Changzhou Liyuan New Energy Technology Co., Ltd. (常州鋰源新能源科技有限公司), a subsidiary of the Company, through its wholly-owned subsidiary Ningbo Meishan as of the date of this announcement
"CATL CP Group"	CATL, its subsidiary(ies) and 30%-controlled company(ies) (excluding Lopal Times)
"Changzhou Jintan Hongyuan"	Changzhou Jintan Hongyuan Venture Capital Partnership (Limited Partnership) (常州金壇泓遠創業投資合夥企業(有限合夥)), a limited partnership established in the PRC

"Changzhou Liyuan"	Changzhou Liyuan New Energy Technology Group Co., Ltd. (常州鋰源新能源科技集團有限公司), a limited liability company established in the PRC on May 12, 2021 and a direct non-wholly owned subsidiary of the Company which is owned as to approximately 66.42% by the Company as of the date of this announcement
"Changzhou Liyuan Shareholders"	the existing shareholders of Changzhou Liyuan, including the Company, Kunlun Gongrong, Jianxin Financial Asset Investment, Ningbo Meishan, Fujian Times Mindong, BTR New Material, Changzhou Youbeili, Nanjing Jinbeili, Changzhou Jintan Hongyuan and Nanjing Chaoli
"Changzhou Youbeili"	Changzhou Youbeili Venture Capital Center (Limited Partnership) (常州優貝利創業投資中心(有限合夥)), a limited partnership established in the PRC
"Company"	Jiangsu Lopal Tech. Co., Ltd. (江蘇龍蟠科技股份有限公司), a joint stock company established in the PRC on March 11, 2003 converted from our 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
"Connected Director(s)"	any Director who is considered to have a material interest in the transaction contemplated under the Capital Increase Agreement, namely Mr. Shi Junfeng, Mr. Shen Zhiyong and Mr. Zhang Yi, each of whom is an executive Director, and non-executive Director Ms. Zhu Xianglan
"connected person"	has the meaning ascribed to it under the Listing Rules
"connected transaction"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company

"Fujian Times Mindong"	Fujian Times Mindong New Energy Industry Equity Investment Partnership (Limited Partnership) (福建時代閩東新能源產業股權投資合夥企業(有限合夥)), a limited partnership established in the PRC
"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 Stock Exchange
"Hong Kong"	Hong Kong Special Administration Region of the PRC
"Independent Third Party(ies)"	person(s) or company(ies), who/which, to the best of our Directors' knowledge, information and belief, is/are not our connected persons
"Investors"	the Series Angel Investors, the Series A Investors and the Series B Investor
"Jianxin Financial Asset Investment"	Jianxin Financial Asset Investment Co., Ltd. (建信金融資產投資有限公司), a limited liability company established in the PRC
"Jinsha Industrial Investments"	Changzhou Jinsha Industrial Investment Partnership Enterprise (Limited Partnership) (常州金沙產業投資合夥企業(有限合夥)), a limited partnership established in the PRC
"Kunlun Gongrong"	Kunlun Gongrong Green (Beijing) New Industry Investment Fund Partnership (Limited Partnership) (昆侖工融綠色(北京)新興產業投資基金合夥企業(有限合夥)), a limited partnership established in the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Lopal Times"	Yichun Lopal Times Lithium Industry Technology Co., Ltd. (宜春龍蟠時代鋰業科技有限公司), a limited liability company established in the PRC and a direct non-wholly owned subsidiary of the Company which is owned as to 70% by the Company and 30% by Yichun Times as of the date of this announcement

"Major Shareholder(s)"	includes the Company, Changzhou Youbeili, Nanjing Jinbeili, Changzhou Jintan Hongyuan and Nanjing Chaoli
"Nanjing Chaoli"	Nanjing Chaoli Venture Capital Center (Limited Partnership) (南京超利創業投資中心(有限合夥)), a limited partnership established in the PRC
"Nanjing Jinbeili"	Nanjing Jinbeili Venture Capital Center (Limited Partnership) (南京金貝利創業投資中心(有限合夥)), a limited partnership established in the PRC
"Ningbo Meishan"	Ningbo Meishan Baoshuigang District Wending Investment Co., Ltd. (寧波梅山保稅港區問鼎投資有限公司), a limited liability company established in the PRC
"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
"Previous Appraised Value of Changzhou Liyuan"	the appraised value of the entire equity interests of Changzhou Liyuan as at December 31, 2024 as disclosed in the announcements of the Company dated May 29, 2025 and June 16, 2025
"Prospectus"	the prospectus of the Company dated October 22, 2024
"RMB"	Renminbi, the lawful currency of the PRC
"Series A Capital Increase Agreement"	the capital increase agreement dated May 13, 2024 entered into by the Changzhou Liyuan Shareholders (including the Company) and Changzhou Liyuan, pursuant to which (i) Kunlun Gongrong agreed to subscribe share capital of approximately RMB42.86 million in Changzhou Liyuan by way of capital increase at a consideration of approximately RMB285.43 million and (ii) the capital increase by Jianxin Financial Asset Investment was modified to the effect that Jianxin Financial Asset Investment will subscribe share capital of approximately RMB15.02 million at the same consideration of RMB100.00 million, details of which is set out in the section headed "History and Development — OUR STRATEGIC COOPERATION — Establishment of Changzhou Liyuan in 2021 and Subsequent Capital Increases" of the Prospectus
"Series A Investors"	Kunlun Gongrong and Jianxin Financial Asset Investment

"Series A Liyuan Repurchase Price"	has the meaning given to it in the Prospectus
"Series Angel Capital Increase Agreement"	the capital increase agreement dated October 18, 2021 entered into by the Series Angel Investors, the Company, BTR New Material, Changzhou Youbeili, Nanjing Jinbeili, Changzhou Jintan Hongyuan, Nanjing Chaoli and Changzhou Liyuan, pursuant to which the registered capital of Changzhou Liyuan was increased from 357.00 million to approximately RMB481.11 million by approximately RMB124.11 million, of which registered capital of (i) approximately RMB46.02 million was subscribed by Ningbo Meishan at the consideration of RMB165.00 million, (ii) approximately RMB50.20 million was subscribed by Fujian Times Mindong at the consideration of RMB180.00 million and (iii) approximately RMB27.89 million was subscribed by the Company at the consideration of RMB100.00 million, details of which is set out in the section headed "History and Development — OUR STRATEGIC COOPERATION — Establishment of Changzhou Liyuan in 2021 and Subsequent Capital Increases" of the Prospectus
"Series Angel Investors"	Ningbo Meishan and Fujian Times Mindong
"Series Angel Liyuan Repurchase Price"	has the meaning given to it in the Prospectus
"Series B Investor"	Jinsha Industrial Investments
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shanghai Listing Rules"	Rules of the Shanghai Stock Exchange
"Shanghai Stock Exchange"	the Shanghai Stock Exchange (上海證券交易所)
"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)

"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary" or "subsidiaries"	shall have the meaning ascribed to it under the Listing Rules
"Yichun Times"	Yichun Times New Energy Resources Co., Ltd. (宜春時代新能源資源有限公司), a limited liability company established in the PRC on November 23, 2021 and a direct wholly owned subsidiary of CATL as of the date of this announcement
"%"	per cent

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

Nanjing, PRC
May 11, 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.