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CNGR Advanced Material Co., Ltd.

中偉新材料股份有限公司

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

(Stock Code: 2579)

CONTINUING CONNECTED TRANSACTIONS ENTERING INTO THE SUPPLEMENTAL AGREEMENT TO THE JINNENG GROUP COMPREHENSIVE PRODUCTS SUPPLY FRAMEWORK AGREEMENT AND REVISION OF ANNUAL CAP

Reference is made to the Prospectus, in relation to, among other things, the Jinneng Group Comprehensive Products Supply Framework Agreement entered into between the Company (for itself and on behalf of its subsidiaries) and Zhongwei Jinneng (for itself and on behalf of its subsidiaries) on November 4, 2025, pursuant to which the Group agreed to supply materials, parts and accessories (the "**Products**") to Jinneng Group as Jinneng Group may require from time to time. The initial term of the Jinneng Group Comprehensive Products Supply Framework Agreement commenced from the Listing Date and will end on December 31, 2027 (both days inclusive).

In light of the Company's current business situation, market demand, and price changes, on June 18, 2026 (after trading hours), the Company (for itself and on behalf of its subsidiaries) and Zhongwei Jinneng (for itself and on behalf of its subsidiaries) entered into the Supplemental Agreement to increase the annual cap for the transaction amounts to be paid to the Group by Jinneng Group under the Jinneng Group Comprehensive Products Supply Framework Agreement for the financial year ending December 31, 2026 to recomply with the requirements of Chapter 14A of the Listing Rules. Save for the Revised Annual Cap, all material terms and conditions in the Jinneng Group Comprehensive Products Supply Framework Agreement shall remain unchanged.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Zhongwei Jinneng was owned as to 70% by Mr. Deng Jing and as to 30% by Changsha Zhongwei High Tech Venture Capital Company Limited* (長沙中偉高新科技創業投資有限公司), which was further owned as to 80% by Mr. Deng Jing (an executive Director) and 20% by Mr. Deng Weiming (an executive Director and one of the controlling shareholders of the Company), respectively. Accordingly, Jinneng Group is an associate of Mr. Deng Jing and therefore constitutes a connected person of the Company under the Listing Rules. Accordingly, the transactions between the Group and Jinneng Group under the Jinneng Group Comprehensive Products Supply Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios of the Revised Annual Cap for the transactions under the Jinneng Group Comprehensive Products Supply Framework Agreement exceeds 0.1% but is less than 5%, the transactions under the Jinneng Group Comprehensive Products Supply Framework Agreement will constitute non-exempt continuing connected transactions of the Company subject to the reporting, annual review, announcement requirements, but exempt from the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

I. INTRODUCTION

Reference is made to the Prospectus, in relation to, among other things, the Jinneng Group Comprehensive Products Supply Framework Agreement entered into between the Company (for itself and on behalf of its subsidiaries) and Zhongwei Jinneng (for itself and on behalf of its subsidiaries) on November 4, 2025, pursuant to which the Group agreed to supply materials, parts and accessories (the "**Products**") to Jinneng Group as Jinneng Group may require from time to time. The initial term of the Jinneng Group Comprehensive Products Supply Framework Agreement commenced from the Listing Date and will end on December 31, 2027 (both days inclusive).

In light of the Company's current business situation, market demand, and price changes, on June 18, 2026 (after trading hours), the Company (for itself and on behalf of its subsidiaries) and Zhongwei Jinneng (for itself and on behalf of its subsidiaries) entered into the Supplemental Agreement to increase the annual cap for the transaction amounts to be paid to the Group by Jinneng Group under the Jinneng Group Comprehensive Products Supply Framework Agreement for the financial year ending December 31, 2026 to recomply with the requirements of Chapter 14A of the Listing Rules. Save for the Revised Annual Cap, all material terms and conditions in the Jinneng Group Comprehensive Products Supply Framework Agreement shall remain unchanged. For details of the key terms of the Jinneng Group Comprehensive Products Supply Framework Agreement, please refer to the Prospectus.

II. SUPPLEMENTAL AGREEMENT

The principal terms of the Supplemental Agreement and the Revised Annual Cap for the transactions thereunder are set out as follows:

Parties: the Company (for itself and on behalf of its subsidiaries) and Zhongwei Jinneng (for itself and on behalf of its subsidiaries)

EXISTING AND REVISED ANNUAL CAP

	Actual transaction amount for the five months ended May 31, 2026 *(RMB million)*	**Existing annual cap for the financial year ending December 31, 2026** *(RMB million)*	**Revised Annual Cap for the financial year ending December 31, 2026** *(RMB million)*
Total prices to be paid to the Group by Jinneng Group	193	305	347

Under the Supplemental Agreement, save for the revision of the above annual cap for the financial year ending December 31, 2026, all material terms under the Jinneng Group Comprehensive Products Supply Framework Agreement remain unchanged.

As at the date of this announcement, the Board confirms that the Company's actual transaction amount under the Jinneng Group Comprehensive Products Supply Framework Agreement have not exceeded the existing annual cap for the financial year ending December 31, 2026.

Pricing policies

The prices relating to the supply of the Products to Jinneng Group pursuant to the Supplemental Agreement and the Jinneng Group Comprehensive Products Supply Framework Agreement shall be determined on a fair basis by reference to the following factors (where applicable and appropriate): (i) historical transaction amounts; (ii) the existing contract value and the projected level of procurement of the Group; and (iii) other factors, including but not limited to the expected market price of the series of products covered under this Framework Agreement under normal commercial terms and its future fluctuations, as well as the costs and expenses relating to labor and market trends.

Basis for Determining the Revised Annual Cap

The Revised Annual Cap are determined based on:

(i) the historical amounts of the transactions between the Group and Jinneng Group in respect of the supply of the Products to Jinneng Group and the expected increase in the demand for the Products for the year ending December 31, 2026;

(ii) the projected level of supply of the Products to Jinneng Group to meet its needs of future business development, taking into account Jinneng Group's continued efforts to rapidly ramp up its precious metal recycling business, including the construction of new production lines, which is expected to be operational in 2026, with a designed annual production capacity of four tons of precious metal (net of impurities) and correspondingly, an expected annual consumption of raw materials (primarily consisting of hematite and other ores), representing a monetary value of approximately RMB300 million and RMB500 million in 2026 and 2027, respectively, to achieve economies of scale, and the expected portion of raw materials to be procured by Jinneng Group from the Group based on the Group's stable supply capacity and long-term, mutually beneficial business relationship with Jinneng Group;

(iii) other factors, including but not limited to the expected market price of similar products on normal commercial terms and their future fluctuations, taking into account the costs and expenses relating to raw materials, labor, and market trends.

Reasons for and benefits of entering into the Supplement Agreement and the Jinneng Group Comprehensive Products Supply Framework Agreement

New energy metal products, such as nickel matte and electrolytic nickel and by-products are generated in the Company's production process, such as precious metals extracted from nickel lateritic ores and other chemical products, and hematite from the nickel extraction process, which could be further processed into precious metal compounds and catalysts and satisfy Jinneng Group's business needs and quality standards for its precious metal recycling business. The Supplemental Agreement is a necessary adjustment based on the current business situation, market demand, and price changes. The supply of the Products to Jinneng Group could help increase the sales scale and revenue of the Group. Specifically, the transaction allows the Group to monetise the main and by-products generated in its nickel production process, turning them into a consistent revenue stream. This maximises the economic value extracted from the Group's nickel laterite ores.

The Jinneng Group Comprehensive Products Supply Framework Agreement and the Supplemental Agreement would also reduce the need for the Group to constantly seek buyers in the open market for its main and by-products, which would reduce the associated sales and marketing expenses as well. The Directors believe that maintaining a stable business relationship with Jinneng Group will facilitate the Group's business growth. To the best knowledge of the Directors, Jinneng Group is not engaged in any competing business with the Group.

III. INTERNAL CONTROL MEASURES

The Group adopts the following internal control measures to ensure that the connected transactions will be carried out in accordance with the terms of the relevant agreements, including the pricing policies, and in compliance with all the applicable requirements under the Listing Rules:

- the Group have adopted and implemented a management system on connected transactions. Under such system, the Audit Committee under the Board is responsible for the annual review on compliance with relevant laws, regulations, the Company's policies and the Listing Rules in respect of the continuing connected transactions, in particular, the fairness of the pricing policies and annual cap under each transaction. In addition, the Audit Committee under the Board, the Board and various internal departments of the Company are jointly responsible for evaluating the terms under framework agreements for the continuing connected transactions;

- the Audit Committee under the Board, the Board and various internal departments of the Company also regularly monitor the fulfillment status and the transaction updates under the framework agreements. In addition, the management of the Company also regularly reviews the pricing policies of the framework agreements;

- the independent non-executive Directors will conduct annual review of the continuing connected transactions conducted by the Group and provide annual confirmation in accordance with Rule 14A.55 of the Listing Rules;

- the auditors will conduct annual review of the continuing connected transactions conducted by the Group and provide annual confirmation in accordance with Rule 14A.56 of the Listing Rules; and

- when considering the prices paid by connected persons to the Group, the Company will continue to regularly research in prevailing market conditions and practices and make reference to the pricing and terms between the Company and independent third parties for similar transactions, to ensure that the pricing and terms offered by the connected persons, either from bidding procedures or mutual commercial negotiations (as the case may be), are fair, reasonable and are no less favorable than those offered to independent third parties.

IV. INFORMATION ABOUT THE PARTIES

The Company

The Company is a joint stock company with limited liability incorporated in the PRC, primarily engaged in the R&D, production and sales of new energy battery materials with a focus on cathode active material precursors (pCAM). The principal products include nickel-based materials (ultra-high nickel pCAM, high-nickel pCAM and mid-nickel high-voltage pCAM), cobalt-based materials (tricobalt tetroxide, cobalt oxyhydroxide and cobalt hydroxide), phosphorus-based materials (iron phosphate and lithium iron phosphate), sodium-based materials (polyanion and layered oxide), other innovative materials (sodium-based and manganese-based pCAM), as well as new energy metal products. The products are ultimately used in the fields of mobility, energy storage, consumer electronics and robotics. The products are primarily sold in the PRC market and overseas markets including South Korea, the Netherlands and Singapore.

Zhongwei Jinneng

Zhongwei Jinneng is a limited liability company incorporated in the PRC, primarily engaged in research and development of new material technologies, research and development of electronic specialty materials, smelting of precious metals, smelting of common non-ferrous metals, promotion services of new material technologies, sales of electronic specialty materials, sales of metal ores, sales of non-ferrous metal alloys and sales of metal materials. As at the date of this announcement, its ultimate beneficial owners are Mr. Deng Jing and Mr. Deng Weiming.

V. LISTING RULES IMPLICATIONS

As at the date of this announcement, Zhongwei Jinneng was owned as to 70% by Mr. Deng Jing and as to 30% by Changsha Zhongwei High Tech Venture Capital Company Limited* (長沙中偉高新科技創業投資有限公司), which was further owned as to 80% by Mr. Deng Jing (an executive Director) and 20% by Mr. Deng Weiming (an executive Director and one of the controlling shareholders of the Company), respectively. Accordingly, Jinneng Group is an associate of Mr. Deng Jing and therefore constitutes a connected person of the Company under the Listing Rules. Accordingly, the transactions between the Group and Jinneng Group under the Jinneng Group Comprehensive Products Supply Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios of the Revised Annual Cap for the transactions under the Jinneng Group Comprehensive Products Supply Framework Agreement exceeds 0.1% but is less than 5%, the transactions under the Jinneng Group Comprehensive Products Supply Framework Agreement will constitute non-exempt continuing connected transactions of the Company subject to the reporting, annual review, announcement requirements, but exempt from the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

VI. APPROVAL BY THE BOARD

At the date of the Board meeting approving the Jinneng Group Comprehensive Products Supply Framework Agreement and the transactions contemplated thereunder, among the Directors, Mr. Deng Jing, Mr. Deng Weiming and Mr. Tao Wu have material interests in the transactions under the Jinneng Group Comprehensive Products Supply Framework Agreement. Mr. Deng Jing, Mr. Deng Weiming and Mr. Tao Wu had abstained from voting on the resolution in respect of the Jinneng Group Comprehensive Products Supply Framework Agreement and the proposed annual cap thereunder at the Board meeting. Save as disclosed above, no Director has any interest in the transactions under the framework agreement.

In view of the above reasons under the paragraph headed "Reasons for and benefits of entering into the Supplement Agreement and the Jinneng Group Comprehensive Products Supply Framework Agreement", the Directors (excluding Mr. Deng Jing, Mr. Deng Weiming and Mr. Tao Wu, but including the independent non-executive Directors) consider that the Jinneng Group Comprehensive Products Supply Framework Agreement and the Revised Annual Cap thereunder have been entered into/arrived at (i) in the ordinary and usual course of the business of the Company; (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

"A Share(s)"	ordinary shares issued by our Company, with a nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange and traded in Renminbi
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board" or "Board of Directors"	the board of Directors of the Company
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Director(s)," "the Director(s)" or "our Director(s)"	the director(s) of our Company
"H Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and are listed and traded on the Stock Exchange
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC

"Jinneng Group"	Zhongwei Jinneng and its subsidiaries
"Jinneng Group Comprehensive Products Supply Framework Agreement"	the comprehensive products supply framework agreement entered into between the Company and Jinneng Group on November 4, 2025
"Listing Date"	November 17, 2025, on which the H Shares were listed on the Stock Exchange and from which dealings in the H Shares are permitted to commence on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"PRC"	the People's Republic of China
"Prospectus"	the prospectus of the Company dated November 7, 2025
"Revised Annual Cap"	the revised annual cap of RMB347 million for the year ending December 31, 2026 under the Supplemental Agreement
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, including H Shares and A Shares
"Shareholder(s)"	the holder of shares of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"Supplemental Agreement"	the supplemental agreement to the Jinneng Group Comprehensive Products Supply Framework Agreement dated June 18, 2026
"the Company" or "Company"	CNGR Advanced Material Co., Ltd. (中偉新材料股份有限公司), a joint stock company with limited liability established in the PRC on September 15, 2014, the A Shares and H Shares of which have been listed on the Shenzhen Stock Exchange (stock code: 300919) and the Stock Exchange (stock code: 2579), respectively
"the Group" or "our Group"	our Company and its subsidiaries

"Zhongwei Jinneng"	Hunan Zhongwei Jinneng New Material Company Limited* (湖南中偉金能新材料有限責任公司)
"%"	per cent

By order of the Board
CNGR Advanced Material Co., Ltd.
Mr. Deng Weiming
Chairman, Executive Director and President

Tongren, Guizhou, June 18, 2026

As at the date of this announcement, Directors of the Company include: (i) Mr. Deng Weiming, Mr. Tao Wu, Mr. Liao Hengxing, Mr. Li Weihua, Mr. Liu Xingguo and Mr. Deng Jing as executive Directors; and (ii) Mr. Cao Feng, Mr. Hong Yuan, Mr. Jiang Liangxing and Ms. Wong Sze Wing as independent non-executive Directors.

* *For identification purposes only*