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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)

**(1) PROPOSED ISSUANCE OF A SHARES TO SPECIFIC TARGET
AND RELATED MATTERS;
AND
(2) NOTICE OF 2025 FIFTH EXTRAORDINARY
GENERAL MEETING**

A letter from the Board is set out on pages 4 to 21 of this circular.

A notice convening an extraordinary general meeting (the “EGM”) to be held at 2nd Floor, Large Conference Room, No. 6 Hengtong Avenue, Nanjing Economic and Technological Development Zone, Nanjing, Jiangsu Province, PRC on Wednesday, September 17, 2025 at 2 p.m. is set out on pages EGM-1 to EGM-3 of this circular. Whether or not you intend to attend the EGM, you are advised to complete and return the enclosed proxy form in respect of the EGM in accordance with the instructions printed thereon as soon as possible and in any event, not less than 24 hours prior to the commencement of such meeting or any adjournments thereof, (i.e., not later than Tuesday, September 16, 2025 at 2 p.m. (Hong Kong time)). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish. Shareholders who intend to attend the EGM should also complete and return the reply slip in accordance with the instructions printed thereon.

August 29, 2025

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	4
I. Introduction	4
II. Business to be Considered at the EGM	5
1. Satisfaction of the Company of the requirements for the Proposed Issuance of A Shares to specific target	5
2. Proposed Issuance of A Shares and Related Matters	5
3. Specific Mandate for the Proposed Issuance of A Shares	15
4. Preliminary Proposal of the Proposed Issuance of A Shares to Specific Target	16
5. The Feasibility Analysis Report on the Use of Proceeds from the Proposed Issuance of A Shares to Specific Target	16
6. The Demonstration and Analysis Report for the Proposed Issuance of A Shares to Specific Target	17
7. Report on the Use of Proceeds Previously Raised	17
8. The Dilution of Immediate Returns from the Proposed Issuance of A Shares to Specific Target, Mitigation Measures, and Commitments by Relevant Parties	18
9. Requesting the Shareholders' General Meeting to Authorise the Board to Deal with Matters Related to the Proposed Issuance of A Shares to Specific Target	18
III. The EGM	20
IV. Closure of Register of Members	21
V. Recommendation	21
Appendix I — The Demonstration and Analysis Report for the Proposed Issuance of A Shares to Specific Target in 2025	22
Appendix II — The Feasibility Analysis Report on the Use of Proceeds from the Proposed Issuance of A Shares to Specific Target	42
Appendix III — Report on the Use of Proceeds Previously Raised	52
Appendix IV — The Dilution of Immediate Returns from the Proposed Issuance of A Shares to Specific Target, Mitigation Measures, and Commitments by Relevant Parties	73
Notice of 2025 Fifth Extraordinary General Meeting	EGM-1

DEFINITIONS

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

“A Share(s)”	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which is/are subscribed for or credited as paid in Renminbi and is/are listed for trading on the Shanghai Stock Exchange
“A Shareholder(s)”	holder(s) of the A Share(s)
“Articles of Association”	the Articles of Association of the Company (as amended from time to time)
“associate(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Board”	the board of Directors of the Company
“Company”	Jiangsu Lopal Tech. Group Co., Ltd. (江蘇龍蟠科技集團股份有限公司) (formerly known as 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 the 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
“Company Law”	the Company Law of the People’s Republic of China
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“EGM”	the fifth extraordinary general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, to approve, among other things, the Proposed Issuance of A Shares to specific target and related matters
“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

DEFINITIONS

“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Third Party(ies)”	third parties independent of and not connected (as defined under the Hong Kong Listing Rules) with the Company and its connected person(s)
“Issue Date”	the date of the registration of the shares to be issued under the Proposed Issuance of A Shares to specific target subscribers to the stock accounts in securities registration and settlement institutions of the target subscribers
“Latest Practicable Date”	August 27, 2025, being the latest practicable date prior to the despatch of this circular for ascertaining certain information referred to in this circular
“Measures for Administration of Registration”	the Measures for Administration of Registration of Securities Offering by Listed Companies
“Ordinary Shares”	A Shares and H Shares
“Placing”	the placing of an aggregate of 20,000,000 new H Shares at the placing price of HK\$6.00 per H Shares to not less than six placees, details of which were disclosed in the announcements of the Company dated June 4, 2025 and June 12, 2025
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan Region
“Proposed Issuance of A Shares”	the proposed issuance of not more than 205,523,670 A Shares by the Company to not more than 35 specific target subscribers
“Prospectus”	the prospectus of the Company dated October 22, 2024
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	the Securities Law of the People’s Republic of China

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“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)
“subsidiary” or “subsidiaries”	shall have the meaning ascribed to it under the Hong Kong Listing Rules
“%”	per cent



Lopal
龙蟠科技

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)

Executive Directors:

SHI Junfeng (*Chairman*)
LU Zhenya
QIN Jian
SHEN Zhiyong
ZHANG Yi

Non-Executive Director:

ZHU Xianglan

Independent Non-Executive Directors:

LI Qingwen
YE Xin
GENG Chengxuan
HONG Kam Le

Registered Office:

No. 6 Hengtong Avenue
Nanjing Economic and Technological
Development Zone
PRC

Principal Place of Business in

Hong Kong:

46/F, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

August 29, 2025

To the Shareholders

Dear Sir/Madam,

**(1) PROPOSED ISSUANCE OF A SHARES TO SPECIFIC TARGET
AND RELATED MATTERS;
AND
(2) NOTICE OF 2025 FIFTH EXTRAORDINARY
GENERAL MEETING**

I. INTRODUCTION

The purpose of this circular is to give you the notice of the EGM and to provide you with reasonable and necessary information.

LETTER FROM THE BOARD

II. BUSINESS TO BE CONSIDERED AT THE EGM

At the EGM, resolutions will be proposed to Shareholders to consider and approve, among other things, the Proposed Issuance of A Shares and related matters.

1. Satisfaction of the Company of the requirements for the Proposed Issuance of A Shares to specific target

In accordance with the provisions of the Company Law, the Securities Law, the Measures for Administration of Registration, and other relevant laws, regulations, and regulatory documents, and in light of the Company's actual circumstances, and in conjunction with the relevant qualifications and conditions for listed companies to issue shares to specific targets, after a careful item-by-item self-examination, the Company believes that it complies with all provisions and requirements of relevant laws, regulations, and regulatory documents regarding the issuance of shares by listed companies to specific targets, and therefore meets the qualifications and conditions for applying to issue shares to specific targets.

The above proposal has been reviewed and approved by the Company at the fourth meeting of the strategy committee of the fourth session of the Board, the 20th meeting of the audit committee of the fourth session of the Board, the eighth special meeting of the independent Directors of the fourth session of the Board, and the 41st meeting of the fourth session of the Board.

2. Proposed Issuance of A Shares and Related Matters

(A) Proposed Issuance of A Shares to specific target

In 2025, the Company achieved balanced and stable growth in assets and liabilities, maintained strength in key performance indicators, implemented effective and orderly risk management, and delivered operating results in line with expectations. To further consolidate the capital foundation for sound and stable operation and development, continuously improve the quality and efficiency of serving the real economy, and enhance comprehensive competitiveness, risk resilience, and sustainable profitability, the Company proposes to issue A Shares to specific target. The proceeds to be raised will be entirely used for construction of high-performance phosphate iron-based positive electrode material (磷酸鹽型正極材料) project and general working capital. In accordance with the relevant provisions of laws, regulations, and normative documents such as the Company Law, the Securities Law, and the Measures for

LETTER FROM THE BOARD

Administration of Registration, as well as the Articles of Association, the specific plan for the Proposed Issuance of A Shares to specific target is proposed as follows:

(a) Type and par value of the A Shares to be issued

The new shares proposed to be issued under the Proposed Issuance of A Shares are domestically listed RMB Ordinary Shares (A Shares) of the Company, with a par value of RMB1.00 per A Share.

(b) Issue method and time

The Proposed Issuance of A Shares will be conducted by way of issuing new A Shares to specific target and will be carried out at an appropriate time within the validity period of the approval of the CSRC on the consent for registration after review and approval by the Shanghai Stock Exchange.

(c) Target subscribers and subscription method

Under the Proposed Issuance of A Shares, there will be no more than 35 subscribers, which satisfy the relevant requirements of the CSRC, including securities investment fund management companies, securities firms, trust companies, finance companies, insurance companies qualified foreign institutional investors (QFII), as well as other legal persons, natural persons or other qualified investors which satisfy the requirements of laws and regulations. A securities investment fund management company, a securities firm, a wealth management company, an insurance company, a QFII or a Renminbi QFII subscribing for the new A Shares through two or more of the products under its management shall be deemed as one single target subscriber. Target subscribers which are trust investment companies shall only subscribe for the new A Shares with their own funds.

LETTER FROM THE BOARD

The specific target subscribers will be determined by the Board within the scope of authorisation granted by the EGM together with the sponsor (lead underwriter) (*Note 1*) upon approval by the Shanghai Stock Exchange and in accordance with the provisions of the relevant laws, administrative regulations, departmental rules or regulatory documents and based on the quotations for subscription submitted by the target subscribers after obtaining registration and approval documents for the application for Proposed Issuance of A Shares to specific target subscribers from the CSRC.

As at the Latest Practicable Date, the Company has not entered into any agreement with any potential subscriber in relation to the Proposed Issuance of A Shares. It is expected that each of the specific target subscribers will be a party who is not a connected person (as defined in the Hong Kong Listing Rules) of the Company and is third party independent of the Company and the connected persons (as defined in the Hong Kong Listing Rules) of the Company (an “**Independent Third Party**”) and none of such other specific target subscribers are expected to become a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company after completion of the subscription under the Proposed Issuance of A Shares. In the event that any target subscriber is a connected person of the Company, the Company will take necessary actions to comply with applicable requirements under the Hong Kong Listing Rules as and when required and appropriate.

All the target subscribers will subscribe for the A Shares to be issued under the Proposed Issuance of A Shares in cash. If the regulatory authorities have other provisions on the qualifications of the shareholders of the target subscribers and corresponding review procedures, such provisions shall prevail.

Note 1: As at the Latest Practicable Date, the Company has not appointed any sponsor or underwriter. The Company will appoint a sponsor (lead underwriter) and enter into a sponsor agreement on normal commercial terms as and when appropriate.

LETTER FROM THE BOARD

(d) Pricing determination date, issue price and pricing methods

The price for the Proposed Issuance of A Shares shall be determined through bidding, and the price determination date of the Proposed Issuance of A Shares (the “**Price Determination Date**”) shall be the first day of the offer period. The issue price of the Proposed Issuance of A Shares (the “**Issue Price**”) shall be no less than 80% of the average trading price of the A Shares for the 20 trading days preceding but excluding the Price Determination Date. Based on the abovementioned principles, the final Issue Price shall be determined by the Board (pursuant to the authorization granted at the general meeting) with the sponsor (lead underwriter) based on the prices offered by the target subscribers and through negotiation in accordance with relevant laws and regulations as well as the issuance bidding.

During the period from the Price Determination Date to the Issue Date, in the event of ex-dividend and ex-right activities such as distribution of dividend, bonus share issue, conversion of capital reserve into share capital and others, the issue price for the Proposed Issuance of A Shares shall be adjusted accordingly, and the adjustment formulas shall be as follows:

In the event of distribution of cash dividends: $P_1 = P_0 - D$;

In the event of bonus issues or capitalisation issues: $P_1 = P_0 / (1 + N)$;

In the event that the above two items occurring simultaneously:
 $P_1 = (P_0 - D) / (1 + N)$.

Where: P_1 denotes the issue price after adjustment; P_0 denotes the issue price before adjustment; N denotes the number of bonus shares issued per share or number of shares converted from capital reserve into share capital; D denotes the cash dividend per Share.

(e) Number of Shares to be issued

Subject to the approval of the CSRC, the number of A Shares to be issued under the Proposed Issuance of A Shares will be determined by dividing the total amount of proceeds by the Issue Price. At the same time, the number of new A Shares to be issued shall not exceed 30% of the total share capital of the Company immediately prior to the Proposed Issuance of A Shares. Accordingly, the maximum number of new A Shares that may be issued under the Proposed Issuance of A Shares will be 205,523,670 A Shares, representing 30% of the total number of Shares in issue as of the Latest Practicable Date.

LETTER FROM THE BOARD

In the event that the Company grants bonus shares, converts capital reserve into share capital or carries out any other ex-right activities during the period commencing from the date on which the board of the Company approved the Proposed Issuance of A Shares to the date of issue under the Proposed Issuance of A Shares, or the total share capital of the Company changes as a result of share repurchase, employee share incentive schemes or other matters, the number of new A Shares to be issued under the Proposed Issuance of A Shares shall be adjusted accordingly.

The final issue size of the Proposed Issuance of A Shares shall be determined by the Board or its authorized person(s) (pursuant to the authorization granted at the general meeting) with the sponsor (lead underwriter) according to the cap approved by the CSRC and the Issue Price.

(f) Arrangement for lock-up period

The new A Shares to be issued to specific targets under the Proposed Issuance of A Shares will be subject to a lock-up period of six months from the date of completion of the Proposed Issuance of A Shares.

(g) Listing venue

The new A Shares to be issued under the Proposed Issuance of A Shares will be listed and traded on the Shanghai Stock Exchange.

(h) Arrangement of accumulated profits before the completion of the Proposed Issuance of A Shares

The accumulated undistributed profits of the Company prior to the completion of the Proposed Issuance of A Shares will be shared by both new and existing Shareholders after the completion of the Proposed Issuance of A Shares.

LETTER FROM THE BOARD

(i) Scale and use of proceeds

The proceeds from the Proposed Issuance of A Shares shall be no more than RMB2.0 billion. The proceeds will be used for construction of high-performance phosphate iron-based positive electrode material (磷酸鹽型正極材料) project and general working capital, with details as follows:

No.	Project Name	Total Project Investment (RMB'000)	Proposed Use of Proceeds (RMB'000)	Approximate Percentage of Proposed Use of Proceeds
1	110,000-ton High-performance Phosphate Iron-Based Positive Electrode Material Project	1,000,000.00	800,000.00	40%
2	85,000-ton High-performance Phosphate Iron-Based Positive Electrode Material Project	790,000.00	600,000.00	30%
3	Supplemental Working Capital	600,000.00	600,000.00	30%
Total		2,390,000.00	2,000,000.00	100%

The proceeds from the Proposed Issuance of A Shares are expected to be applied to projects that are different from those included in the use of proceeds from the Global Offering and the Placing.

(j) Validity period of the resolution of the Proposed Issuance of A Shares

The resolution for the Proposed Issuance of A Shares to specific target shall be valid for a period of 12 months, commencing from the date on which the relevant proposals are considered and approved by the Shareholders at its general meeting.

(B) Conditions Precedent of the Proposed Issuance of A Shares

The Proposed Issuance of A Shares will be subject to the following conditions:

- (a) consideration and approval by the Board;
- (b) consideration and approval by way of special resolution by the Shareholders at a general meeting of the Company;
- (c) obtaining the approval by the Shanghai Stock Exchange;
- (d) obtained the consent for registration from the CSRC; and

LETTER FROM THE BOARD

- (e) compliance with the applicable requirements under the Hong Kong Listing Rules and Shanghai Listing Rules. The Proposed Issuance of A Shares shall be subject to the plan finally approved by the aforementioned regulatory authorities.

As at the Latest Practicable Date, the resolution in relation to the Proposed Issuance of A Shares has been passed at the 41st meeting of the fourth session of the Board. Save as condition precedent (a) above, no other condition precedent had been fulfilled as at the Latest Practicable Date. No condition precedent above of the Proposed Issuance of A Shares can be waived.

(C) Impact of the Proposed Issuance of A Shares on Shareholding Structure of the Company

Based on the issue of 205,523,670 new A Shares (representing the maximum number of new A Shares that may be issued under the Proposed Issuance of A Shares) and the shareholding structure of the Company as of the Latest Practicable Date and assuming that there are no changes to the total issued shares of the Company from the Latest Practicable Date and up to the completion of the Proposed Issuance of A Shares, the shareholding structure of the Company as of the Latest Practicable Date and immediately after the completion of the Proposed Issuance of A Shares is set forth below:

	As of the date of the Latest Practicable Date		Immediately after the completion of the Proposed Issuance of A Shares	
	<i>Number of Shares</i>	<i>%⁴</i>	<i>Number of Shares</i>	<i>%⁴</i>
A Shares				
<i>Non-public shareholders</i>				
Shi Junfeng ¹	212,662,195	31.14	212,662,195	23.93
Zhu Xianglan ¹	23,618,649	3.46	23,618,649	2.66
Nanjing Bailey Venture Capital Center (Limited Partnership) ¹	1,901,208	0.28	1,901,208	0.21
Lu Zhenya ²	241,988	0.04	241,988	0.03
Qin Jian ²	230,832	0.03	230,832	0.03
Shen Zhiyong ²	218,112	0.03	218,112	0.02
Zhang Yi ²	195,792	0.03	195,792	0.02
Xu Suxia ²	33,056	0.00	33,056	0.00
Total number of A Shares held by the non-public shareholders	239,101,832	35.01	239,101,832	26.91

LETTER FROM THE BOARD

	As of the date of the Latest Practicable Date		Immediately after the completion of the Proposed Issuance of A Shares	
	<i>Number of Shares</i>	<i>%⁴</i>	<i>Number of Shares</i>	<i>%⁴</i>
Public shareholders				
Other shareholders of A Shares	323,894,671	47.42	323,894,671	36.45
Target subscribers ³	—	—	205,523,670	23.13
Total number of A Shares held by the public shareholders	323,894,671	47.42	529,418,341	59.58
Total number of A Shares (excluding the 2,082,400 A Shares held by the Company as treasury shares)⁵				
	562,996,503	82.43	768,520,173	86.49
H Shares				
Public shareholders				
Shareholders of H Shares	120,000,000	17.57	120,000,000	13.51
Total number of H Shares	120,000,000	17.57	120,000,000	13.51
Total number of Shares held in the hands of the public				
	443,894,671	64.99	649,418,341	73.09
Total issued Shares (excluding the 2,082,400 A Shares held by the Company as treasury shares)⁵				
	682,996,503	100.00	888,520,173	100.00

Notes:

1. Mr. Shi Junfeng (“**Mr. Shi**”) is the spouse of Ms. Zhu Xianglan (“**Ms. Zhu**”). Nanjing Bailey Venture Capital Center (Limited Partnership) (南京貝利創業投資中心(有限合夥)) (“**Nanjing Bailey**”) is a limited partnership established in the PRC, holding 1,901,208 A Shares, which is managed by Lopal International Holdings Co., Ltd. (龍蟠國際控股有限公司) (“**Lopal International**”) as its general partner. Lopal International is a limited company established in the PRC, which is owned as to 90% by Mr. Shi and 10% by Ms. Zhu. Mr. Shi, Ms. Zhu and Nanjing Bailey together hold 238,182,052 A Shares, representing approximately 34.87% and 26.81% of the total issued Shares (excluding 2,082,400 A Shares held by the Company as treasury shares) as of the Latest Practicable Date and immediately after the completion of the Proposed Issuance of A Shares, respectively.
2. Each of Mr. Lu Zhenya, Mr. Qin Jian, Mr. Shen Zhiyong and Mr. Zhang Yi is an executive director of the Company. Ms. Xu Suxia is spouse of Mr. Qin Jian. Thus, each of Mr. Lu Zhenya, Mr. Qin Jian, Mr. Shen Zhiyong, Mr. Zhang Yi and Ms. Xu Suxia are core connected persons of the Company and are non-public shareholders.
3. The target subscribers under the Proposed Issuance of A Shares are expected to be Independent Third Parties. Thus, all new A Shares to be issued under the Proposed Issuance of A Shares will be held in the hands of the public.

LETTER FROM THE BOARD

4. Certain percentage figures included in this table have been subject to rounding adjustments. Any discrepancies in this table between totals and sums of amounts listed therein are due to rounding.
5. The figures in this table has not taken into account the 2,082,400 A Shares held by the Company as treasury shares.

As at the Latest Practicable Date, based on the information available to the Company and to the knowledge of the Board, the Company's public float complies with the relevant requirements of Rule 19A.13A of the Hong Kong Listing Rules. Assuming that 205,523,670 A Shares under the Proposed Issuance of A Shares are entirely issued, the percentage of the Shares (A Shares and H Shares in aggregate) held by the public in the total number of the Shares after the Proposed Issuance of A Shares is expected to be approximately 73.09%. The Company's public float will still be able to comply with the relevant requirements of Rule 19A.13A of the Hong Kong Listing Rules. The Company will closely monitor the percentage of public float to ensure its compliance, at all times, with relevant requirements for public float.

As at the Latest Practicable Date, the Company has not entered into or intends to enter into any agreement with any connected persons in connection with the Proposed Issuance of A Shares.

(D) Reasons for and benefits of the Proposed Issuance of A Shares

The Company is a major lithium iron phosphate ("LFP") cathode material manufacturer in the world and a renowned automotive specialty chemical manufacturer in mainland China. With the rapid development of downstream industries, the demand for LFP batteries continues to grow and LFP cathode materials have become a strategic material in the new energy industry. The Group will continue to leverage its global presence and deep industry insights to differentiate the Group from other market players. The funds raised from the Proposed Issuance of A Shares will be used for the construction of high-performance phosphate iron-based positive electrode material (磷酸鹽型正極材料) project, which is in line with national industry policies and will enable the Group to further enhance its production capacity and in turn allow the Group to increase its market share. In addition, by placing new A Shares to the target subscribers who are Independent Third Parties will enable the Company to optimize its capital structure and reduce its asset-liability ratio.

The Company started considering the Proposed Issuance of A Shares in or around July 2025 after the listing of H Shares on October 30, 2024 having taken into account the overall market sentiment and the rise in transaction price of A Shares by the end of June 2025.

LETTER FROM THE BOARD

(E) Equity Fund Raising Activities in the Past 12 Months

During the past 12 months immediately prior to the Latest Practicable Date, the Company was listed on the Main Board of the Hong Kong Stock Exchange on October 30, 2024. The net proceeds from the Global Offering amounted to approximately HKD495.0 million and a gross proceeds of approximately HKD550.0 million. The Company intends to use the net proceeds in the same matter and proportion as set out in the section headed “Future Plans and Use of Proceeds” of the Prospectus and as of the Latest Practicable Date, there has been no change in the intended use of the net proceeds.

Reference is made to the announcements of the Company dated December 20, 2024 and February 10, 2025 and the circular of the Company dated January 8, 2025. On December 20, 2024, the Company, LBM New Energy (AP) Pte. Ltd. (“**LBM**”) (an indirect non-wholly owned subsidiary of the Company), Changzhou Liyuan New Energy Technology Co., Ltd. (常州鋰源新能源科技有限公司) (“**Changzhou Liyuan**”), PT Akasya Investasi Indonesia and Aisis Alliance L.P. entered in a subscription agreement (“**LBM Subscription by INA and Aisis**”), pursuant to which PT Akasya Investasi Indonesia and Aisis Alliance L.P. conditionally agreed to subscribe for the shares of LBM, representing approximately 34.01% and 11.34% of the enlarged share capital of LBM upon completion at the subscription price of USD150,000,000 and USD50,000,000 respectively. The subscription has been completed on February 10, 2025. LBM shall apply no less than 85% of the proceeds of the subscription for the capital and operational expenses for the development of the Indonesia Phase 2 Plant, with funds to be gradually utilized in accordance with the progress of its development. Provided that the funding required for the development of the Indonesia Phase 2 Plant remains unaffected, such proceeds may also be utilized for the operational expenses incurred in the ordinary course of business of the Indonesia Phase 1 Plant and/or the operational expenses incurred in the ordinary course of business of LBM but in any event such utilization of the proceeds shall not exceed 15% of the total proceeds from the subscription. As of the Latest Practicable Date, part of the proceeds from the subscription has been utilised. Furthermore, as of the Latest Practicable Date, the Company has no intention to change its intended use of the proceeds from the subscription.

Reference is made to the announcement of the Company dated February 21, 2025 and circular of the Company dated March 27, 2025. On February 21, 2025, LBM, PT LBM Energi Baru Indonesia (“**PT LBM**”) (an indirect non-wholly owned subsidiary of the Company) and LG Energy Solution, Ltd. (“**LG**”) entered into a subscription agreement and the shareholders agreement; and the Company, Changzhou Liyuan, LBM, PT LBM and LG entered into a side letter agreement (“**PT LBM Subscription by LG**”). 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. PT LBM

LETTER FROM THE BOARD

shall 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. It is expected that the proceeds will be fully utilized by the end of the third quarter of 2025. The closing of the subscription took place on August 11, 2025 and as of the Latest Practicable Date, none of the proceeds from the subscription has been utilised. Furthermore, as of the Latest Practicable Date, the Company has no intention to change its intended use of the proceeds from the subscription.

Reference is made to the announcements of the Company dated June 4, 2025 and June 12, 2025. On June 4, 2025, the Company entered into the placing agreement with the placing agent, pursuant to which the Company has agreed to appoint the placing agent, and the placing agent has conditionally agreed, as the Company's placing agent, to procure, on a best effort basis, not less than six placees, who are and whose ultimate beneficial owners are Independent Third Parties, to purchase up to an aggregate of 20,000,000 new H Shares at the placing price of HK\$6.00 per H Shares. Completion of the Placing took place on June 12, 2025 in accordance with the terms and conditions of the placing agreement. The net proceeds of approximately HK\$116.89 million from the Placing are intended to be used for (i) general working capital and repaying the Group's outstanding debts; and (ii) transformation of the low conductivity coolant production line. It is expected that the proceeds will be fully utilized by the end of 2025. As of the Latest Practicable Date, none of the proceeds from the Placing has been utilised. Furthermore, as of the Latest Practicable Date, the Company has no intention to change its intended use of the proceeds from the Placing.

Save for the above, the Company had not conducted any other fund raising exercise by issuing equity securities in the past 12 months immediately before the Latest Practicable Date.

3. Specific Mandate for the Proposed Issuance of A Shares

The Company will issue A Shares pursuant to a specific mandate to be sought from Shareholders at the EGM.

The final net issue price per A Share under the Proposed Issuance of A Shares shall be determined according to the final issuance price, cost of issuance and other factors and will be announced separately upon the completion of the Proposed Issuance of A Shares.

The A Shares under the Proposed Issuance of A Shares will only be entitled to dividends distributed after the completion of the Proposed Issuance of A Shares.

4. Preliminary Proposal of the Proposed Issuance of A Shares to Specific Target

In accordance with the provisions of the Company Law, the Securities Law, the Measures for Administration of Registration, and other relevant laws, regulations, and regulatory documents, and taking into account the Company's specific circumstances, the Company has prepared the Preliminary Proposal of the Proposed Issuance of A Shares to Specific Target for the Proposed Issuance of A Shares. For details, please refer to the Preliminary Proposal of the Proposed Issuance of A Shares to Specific Target disclosed by the Company on the official website of the Shanghai Stock Exchange (www.sse.com.cn) on August 21, 2025.

The above proposal has been reviewed and approved by the Company at the fourth meeting of the strategy committee of the fourth session of the Board, the 20th meeting of the audit committee of the fourth session of the Board, the eighth special meeting of the independent Directors of the fourth session of the Board, and the 41st meeting of the fourth session of the Board.

5. The Feasibility Analysis Report on the Use of Proceeds from the Proposed Issuance of A Shares to Specific Target

In accordance with the provisions of the Company Law, the Securities Law, the Measures for Administration of Registration, and other relevant laws, regulations, and regulatory documents, and in light of the Company's specific circumstances, to ensure the rational, safe, and efficient use of proceeds from this offering to specific targets, the Company has prepared the Feasibility Analysis Report on the Use of Proceeds from the Proposed Issuance of A Shares to Specific Target. For details, please refer to the Feasibility Analysis Report on the Use of Proceeds from the Proposed Issuance of A Shares to Specific Target disclosed by the Company on the official website of the Shanghai Stock Exchange (www.sse.com.cn) on August 21, 2025.

The above proposal has been reviewed and approved by the Company at the fourth meeting of the strategy committee of the fourth session of the Board, the 20th meeting of the audit committee of the fourth session of the Board, the eighth special meeting of the independent Directors of the fourth session of the Board, and the 41st meeting of the fourth session of the Board.

Please refer to Appendix II to this circular for the Feasibility Analysis Report on the Use of Proceeds from the Proposed Issuance of A Shares to Specific Target.

6. The Demonstration and Analysis Report for the Proposed Issuance of A Shares to Specific Target

In accordance with the provisions of the Company Law, the Securities Law, the Measures for Administration of Registration, and other relevant laws, regulations, and regulatory documents, the Company has prepared the Demonstration and Analysis Report for the Proposed Issuance of A Shares to Specific Target based on the current issuance plan. For details, please refer to the Demonstration and Analysis Report for the Proposed Issuance of A Shares to Specific Target disclosed by the Company on the official website of the Shanghai Stock Exchange (www.sse.com.cn) on August 21, 2025.

The above proposal has been reviewed and approved by the Company at the fourth meeting of the strategy committee of the fourth session of the Board, the 20th meeting of the audit committee of the fourth session of the Board, the eighth special meeting of the independent Directors of the fourth session of the Board, and the 41st meeting of the fourth session of the Board.

Please refer to Appendix I to this circular for the Demonstration and Analysis Report for the Proposed Issuance of A Shares to Specific Target.

7. Report on the Use of Proceeds Previously Raised

In accordance with the provisions of the Company Law, the Securities Law, the Measures for Administration of Registration, Guidelines for the Application of Regulatory Rules — Issuance No. 7 and other relevant laws, regulations, and regulatory documents, the Company has prepared the Report on the Use of Proceeds Previously Raised in relation to the use of proceeds previously raised. For details, please refer to the Report on the Use of Proceeds Previously Raised disclosed by the Company on the official website of the Shanghai Stock Exchange (www.sse.com.cn) on August 21, 2025.

The above proposal has been reviewed and approved by the Company at the fourth meeting of the strategy committee of the fourth session of the Board, the 20th meeting of the audit committee of the fourth session of the Board, the eighth special meeting of the independent Directors of the fourth session of the Board, and the 41st meeting of the fourth session of the Board.

Please refer to Appendix III to this circular for the Report on the Use of Proceeds Previously Raised.

8. The Dilution of Immediate Returns from the Proposed Issuance of A Shares to Specific Target, Mitigation Measures, and Commitments by Relevant Parties

In accordance with the relevant provisions of documents such as the Opinions of the State Council on Further Promoting the Healthy Development of the Capital Market (Guo Fa [2014] No. 17), the Opinions of the General Office of the State Council on Further Strengthening the Protection of the Legitimate Rights and Interests of Small and Medium Investors in the Capital Market (Guo Ban Fa [2013] No. 110) and the Guiding Opinions on Matters Concerning the Dilution of Immediate Returns in Initial Public Offerings, Refinance and Major Asset Restructurings (CSRC Announcement [2015] No. 31), the Company has carefully analyzed the impact of the dilution of immediate returns arising from the Proposed Issuance of A Shares, and put forward specific measures to make up for the diluted returns. Relevant parties have made commitments to ensure the effective implementation of the Company's measures to make up for the diluted returns. For details, please refer to the announcement of Company on the Dilution of Immediate Returns from the Proposed Issuance of A Shares to Specific Target, Mitigation Measures, and Commitments by Relevant Parties (Announcement No.: 2025-114) disclosed by the Company on the official website of the Shanghai Stock Exchange (www.sse.com.cn) on August 21, 2025.

The above proposal has been reviewed and approved by the Company at the fourth meeting of the strategy committee of the fourth session of the Board, the 20th meeting of the audit committee of the fourth session of the Board, the eighth special meeting of the independent Directors of the fourth session of the Board, and the 41st meeting of the fourth session of the Board.

Please refer to Appendix IV to this circular for the Dilution of Immediate Returns from the Proposed Issuance of A Shares to Specific Target, Mitigation Measures, and Commitments by Relevant Parties.

9. Requesting the Shareholders' General Meeting to Authorise the Board to Deal with Matters Related to the Proposed Issuance of A Shares to Specific Target

To ensure the smooth implementation of Proposed Issuance of A Shares to specific target, it is proposed to request the general meeting to authorise the Board and its delegates to deal with matters related to the issuance in accordance with relevant laws, regulations, as well as the opinions and recommendations from regulatory authorities, including but not limited to:

1. To formulate, adjust, amend and implement the specific plan for the Proposed Issuance of A Shares to specific target in accordance with the resolution on the Proposed Issuance of A Shares to specific target considered and approved by the general meeting to the extent permitted by laws and regulations, other normative documents and the Articles of Association, in conjunction with market conditions, policy adjustments or regulatory opinions and the Company's specific situation, including but not limited to, determine the timing, scale, price, method, target and other matters related to the issuance.

LETTER FROM THE BOARD

2. To carry out work involved in the projects to be funded with the proceeds from the issuance, including signing material contracts and other relevant legal documents in the implementation of the projects funded with the proceeds from the issuance.
3. To engage relevant intermediaries and sign relevant agreements with them to deal with the application matters relating to the issuance.
4. To deal with all application and implementation matters for the issuance and listing, including but not limited to: submitting applications, registrations, filings, approvals and other procedures to relevant government agencies, regulatory authorities, stock exchanges and securities depository and clearing agencies; preparing, signing, implementing, amending, responding to and completing all necessary documents related to the issuance and listing.
5. To draft, amend, sign, supplement, submit, report, terminate and implement all agreements and documents arising from the issuance, including but not limited to underwriting agreements, sponsorship agreements, intermediary engagement agreements and other legal documents.
6. To open a special deposit account for the proceeds and sign agreements on the management and use of proceeds.
7. To adjust the specific arrangements for the projects to be funded with the proceeds to the extent permitted by laws and regulations and within the scope of the approval of the Shareholder's general meeting, according to the requirements of the relevant competent authorities and the actual conditions of the market.
8. In case of force majeure, new provisions of relevant laws, regulations or policies or changes in market conditions, the Company may, in accordance with applicable national provisions, requirements from relevant government and securities regulatory authorities (including application feedback of the issuance), as well as market conditions and the Company's actual operational circumstances, make appropriate adjustments to the specific terms of the issuance, including but not limited to the use of proceeds, investment amounts, and implementation arrangements, and proceed with the issuance without further Shareholder approval, except where such adjustments involve matters requiring renewed Shareholder approval under applicable laws, regulations, and the Articles of Association.
9. Upon obtaining the approval for the issuance from the CSRC and with authorization, to prepare, amend, supplement, execute, submit, receive and implement all agreements and documents related to the issuance, and to handle all matters concerning the registration, custody, restricted share lock-up (if applicable) of the Shares issued under the issuance with the Shanghai Stock Exchange and securities depository and clearing institutions, as well as the listing procedures on the Shanghai Stock Exchange.

LETTER FROM THE BOARD

10. To increase the Company's registered capital, amend the relevant provisions of the Articles of Association and complete the industrial and commercial registration changes and other related procedures in accordance with the implementation results of the issuance.
11. To decide to suspend, postpone or terminate the issuance under the premise of protecting the Company's interests.
12. To postpone the implementation of the issuance plan, or proceed with handling of matters related to the issuance in accordance with the updated policies, laws, regulations, and normative documents governing the issuance of shares by listed companies, at its own discretion in the event of force majeure or other circumstances that may result in difficulties in the implementation of the issuance, or, although feasible, the implementation will result in adverse impacts to the Company, or if there are changes in the relevant policies, laws, regulations, rules, or normative documents pertaining to the issuance of shares by listed companies.
13. To act on behalf of the Company in all other necessary, appropriate and suitable matters related to the issuance within the scope permitted by laws, regulations, normative documents, and the Articles of Association.
14. For matters related to the specific implementation of the issuance after the CSRC's approval of the share registration, the authorization shall remain valid from the date of approval by the Company's general meeting until the completion of such implementation matters. For all other authorized matters, the validity period shall be twelve months from the date of approval by the Company's general meeting.

III. THE EGM

The EGM will be convened on September 17, 2025 for the Shareholders to consider and, if thought fit, to approve, among other things, the Proposed Issuance of A Shares to specific target and related matters.

The resolutions put to vote at the EGM will be decided by way of poll as required by the Hong Kong Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as of the Latest Practicable Date, no Shareholders are required to abstain from voting on the resolutions to be proposed by the Company at the EGM.

LETTER FROM THE BOARD

IV. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the eligibility to attend and vote at the EGM, the register of members of the Company will be closed from September 12, 2025 to September 17, 2025, both days inclusive. During such period, no transfer of the Company's H Shares will be registered. Holders of the H Shares of the Company whose names appear on register of members of H Shares of the Company on September 12, 2025 will be entitled to attend the EGM. In order to be eligible to attend and vote at the EGM, holders of H Shares of the Company whose transfers of Shares have not been registered shall deposit the transfer documents together with the relevant share certificates with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on September 11, 2025.

V. RECOMMENDATION

The Directors are of the view that the Proposed Issuance of A Shares to specific target and related matters are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the EGM as set out in the notice of the EGM.

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

**THE DEMONSTRATION AND ANALYSIS REPORT FOR THE PROPOSED
ISSUANCE OF A SHARES TO SPECIFIC TARGET IN 2025**

To meet the funding needs for the Company's operating strategy and business development, further optimise the capital structure, and enhance the sustainable operating capability and market competitiveness, the Company prepared the Demonstration and Analysis Report for the Proposed Issuance of A Shares to Specific Target in 2025 of Jiangsu Lopal Tech. Group Co., Ltd. in accordance with the requirements of relevant laws, administrative regulations, departmental rules or regulatory documents such as the Company Law of the PRC, the Securities Law of the People's Republic of China and the Administration Measures for Securities Issuance Registration of Listed Companies (the "**Measures for Administration**") as well as the Articles of Association of Jiangsu Lopal Tech. Group Co., Ltd.

Unless otherwise specified, the relevant terms used herein shall have the same meaning as those defined in the "Resolution on the 2025 Annual Plan for the Proposed Issuance of A Shares to Specific Target by Jiangsu Lopal Tech. Group Co., Ltd."

**I. BACKGROUND AND PURPOSE OF PROPOSED ISSUANCE OF SHARES TO
SPECIFIC TARGET****(I) Background of Proposed Issuance of Shares to Specific Target*****1. There is huge room for the development of the new energy vehicle (NEV) and energy storage industries against the backdrop of "dual carbon" goals***

Against the backdrop of accelerating the realization of the "dual carbon" goals, the transportation industry, as an important area for carbon reduction, has established a trend of transforming towards new energy. The NEV industry is facing unprecedented development opportunities. With the transformation from traditional energy to clean energy becoming the global consensus, the penetration rate of clean energy such as wind and solar power has risen rapidly. However, new energy power generation has the characteristics of instability and imbalance compared with traditional energy, which has given rise to a rapidly growing demand for energy storage. The government has introduced a series of industrial policies to vigorously encourage and support the development of the NEV and energy storage industries. The NEV and energy storage industries are enjoying great potential for growth. Since 2020, China has seen a rapid increase in the penetration rate of NEVs. According to the China Association of Automobile Manufacturers, the penetration rate of NEVs in China significantly increased from 5.4% in 2020 to 40.9% in 2024.

The rapid development of the NEV and energy storage industries has driven up the shipments of new energy batteries. According to GGII (高工鋰電), China's power battery shipments reached 630GWh and 780GWh in 2023 and 2024 respectively, representing a year-on-year increase of 31.3% and 23.8% respectively. The shipments of energy storage batteries reached 206GWh and

340GWh respectively, representing a year-on-year increase of 58.5% and 65.0% respectively. GGII expected that the global shipments of power and energy storage batteries will exceed 4.9TWh by 2030, further providing broad market potential for battery cathode materials.

2. *LFP cathode materials demonstrate significant advantages and have become a strategic material driving the new energy revolution*

Against the backdrop of profound transformation in the global energy structure and driven by the rapid growth of the NEV and energy storage markets, the LFP cathode material industry has experienced accelerated development, emerging as a strategic material propelling the energy revolution. In the power battery sector, LFP cathode material batteries have significantly increased their market share across various applications due to their cost advantages and technological advancements. According to GGII statistics, LFP power batteries accounted for 72.0% of China's power battery shipments in 2024. In the energy storage battery sector, LFP cathode material batteries have become the market mainstream due to their long cycle life, high safety, and other advantages. GGII data shows that LFP batteries accounted for 99.5% of China's energy storage battery shipments in 2024. The long cycle life substantially reduces the leveled cost of storage over the full lifecycle of energy storage systems, enhancing the economic viability of electrochemical energy storage and expanding its application scenarios. Therefore, the development and production of battery materials with longer cycle lives represent a critical direction for the advancement of electrochemical energy storage.

According to GGII data, China's cathode material shipments reached approximately 3.35 million tons in 2024, a 35% year-on-year increase, with LFP cathode materials accounting for approximately 2.46 million tons (up 49% year-on-year), representing nearly 74% of total cathode material shipments. In the first half of 2025, China's cathode material shipments reached 2.10 million tons (up 53% year-on-year), of which LFP materials contributed 1.61 million tons (up 68% year-on-year), making up 77% of total cathode material shipments and leading the growth of the entire cathode material industry.

3. *With intensified phase competition in the industry, companies that pioneer high-performance product development and establish robust production layouts will secure a first-mover advantage*

From the supply side, the rapid expansion of the LFP industry has attracted numerous market participants, including specialized LFP cathode material R&D and production companies, upstream precursor suppliers expanding into the LFP sector leveraging raw material advantages, downstream battery manufacturers extending into upstream raw material industry, and cross-sector entrants from industries such as chemicals and automotive. While LFP production capacity has surged, it has outpaced market demand, leading to a phase of temporary

overcapacity in recent years due to significant disparities in technological capabilities among different market players. As NEV and energy storage market demands evolve, LFP products are undergoing rapid iteration, increasing competitive pressure on outdated production capacities. Consequently, some cross-sector entrants have gradually exited the LFP cathode material market.

From the demand side, the NEV's need for fast charging and ultra-long range, along with the energy storage's demand for high safety and energy density, continues to drive sustained demand for high-performance LFP cathode materials. In addition to imposing higher and more diversified performance requirements on cathode materials, downstream battery manufacturers are increasingly emphasizing product consistency and stable production capacity from suppliers.

Therefore, companies that are among the first in the industry to achieve mass production of high-performance LFP cathode materials and possess established production capacity layouts must seize the opportunity presented by the upgrade and iteration of LFP batteries in order to further consolidate their position in the market.

(II) Purpose of Issuance of Shares to Specific Target

1. Responding to the national “Energy Revolution” goals and seizing opportunities in the green energy transition

With the profound transformation of the energy consumption structure, the NEV and energy storage markets will continue to grow rapidly, driving the increasing demand for cathode materials, especially LFP cathode materials. As one of the world's major LFP cathode material manufacturers, the Company has established strong business relationships with well-known lithium-ion battery manufacturers, including CATL, LG Energy Solution, REPT BATTERO, SUNWODA, EVE Energy, CORNEX New Energy and Blue Oval.

To meet the sustained growth in downstream demand, the Company needs to expand its advanced production capacity layout, further optimize its product mix, and upgrade product performance. This will enable the Company to respond to the national “Energy Revolution” goals, seize opportunities arising from the green energy transition, and meet the continuously growing and evolving market demand for LFP cathode materials.

2. Enhancing the supply capacity of high-performance products to meet the rapidly growing and increasingly differentiated market demand

In recent years, the Company has continuously invested in R&D and emphasized technological innovation by launching differentiated products with advantages in energy density, low-temperature performance, service life and cost-effectiveness. These include ultra-high energy density LFP cathode materials

produced using the fourth-generation “one-step sintering” process, the “LFP No. 1” product with excellent low-temperature performance, the “Endurance No. 1” product with longer cycle life, and the lithium manganese iron phosphate product “Mn-LFP No. 1,” among others. Demand for differentiated and high-performance products continues to grow.

Through the fundraising investment project, the Company plans to build production lines that will primarily meet the production needs of the fourth-generation ultra-high energy density LFP cathode materials, while also being compatible with the production of various high-performance phosphate cathode materials. This will enhance the Company’s flexibility in responding to market demand, fully leverage the differentiated advantages of its products, and significantly increase the supply capacity of its high-performance products. Furthermore, it will enable the Company to optimize its product mix and meet the rapidly growing downstream demand for high-performance phosphate cathode materials, which will strengthen its differentiated product competitiveness and consolidate its market position.

3. *Forward-looking expansion of advanced production capacity to enhance localized support for downstream customers*

In recent years, battery manufacturers such as CATL, BYD, EVE Energy and CORNEX New Energy have been continuously expanding their production capacity layouts, placing higher demands on cathode material suppliers to provide effective supporting capacity for high-performance products. For LFP cathode material manufacturers, in addition to maintaining technological advantages, proactively expanding high-performance product capacity in advance is a necessary condition for securing orders corresponding to the newly added capacity of battery manufacturers.

The fundraising investment project will help the Company provide localized support for the newly added capacity of battery manufacturers, enhance its supply capacity for high-performance phosphate cathode materials, and further increase its market share in high-performance phosphate cathode materials.

4. *Optimizing the capital structure of the Company and enhancing risk resisting capabilities*

With the continuous expansion of the Company’s business scale in the future, its asset size will increase simultaneously during the development process, requiring substantial capital investment and working capital investment. As of June 30, 2025, the Company’s gearing ratio was 78.41%, at a relatively high level. The Issuance will increase the Company’s net asset size, reduce its gearing ratio, optimize its capital structure, and strengthen its financial stability.

Through the Issuance, the capital requirements for the construction of the Company's fundraising investment project and the sustainable development of its business can be better satisfied, and the Company's capital strength will be further strengthened, with its profitability and risk resisting capabilities enhanced, which is in the interests of all shareholders.

II. NECESSITY FOR THE ISSUANCE AND SELECTION OF THE TYPE OF SECURITIES

(I) Types of Securities to be Issued

The type of shares to be issued to the specific target under the Issuance is domestic listed RMB ordinary shares (A Shares) with par value of RMB1.00 per share.

(II) The Necessity of Selecting the Types of Securities to be Issued

1. Satisfying the capital needs of the fundraising investment project to be funded with the raised funds

The total proceeds from the Issuance will not exceed RMB2,000,000,000. After deducting issuance expenses, such proceeds will be primarily used for the 110,000 ton high-performance phosphate-based cathode materials project, the 85,000 ton high-performance phosphate-based cathode materials project, and replenishing working capital. As the investment amount for the fundraising investment project is substantial, it is difficult for the Company to meet the capital requirements for project construction using its own funds. The Company needs to rely on external financing to support the investment in the fundraising investment project and its future development, thereby mitigating operational and financial risks and enhancing the Company's sustainable operation capability.

2. Financing by issuing A Shares to specific target is a suitable financing way for the Company at this stage

Equity financing can optimize the Company's capital structure, enhance financial stability, reduce financial costs, and lessen the Company's future debt repayment pressure and cash outflows, aligning with the Company's long-term development strategy. Upon completion of the Issuance, the Company's gearing ratio will decrease, which will help reduce the Company's liquidity risk and financing costs, and improve its risk resisting capabilities. As the Company's fundraising investment project commence production and operations, the Company's operating conditions will further improve, which is in the interests of all shareholders.

III. APPROPRIATENESS OF THE SELECTION SCOPE, NUMBER AND STANDARD FOR TARGET SUBSCRIBERS**(I) Appropriateness of the Selection Scope of Target Subscribers**

The target subscribers of the Issuance shall be not more than 35 specific investors, including securities investment fund management companies, securities companies, trust companies, finance companies, insurance companies, qualified foreign institutional investors that satisfy the requirements of the CSRC and other legal persons, natural persons or other qualified investors that are subject to laws and regulations. Securities investment fund management companies, securities companies, financial management companies, insurance companies, qualified foreign institutional investors, and RMB-qualified foreign institutional investors that participate in the subscription with two or more of the products managed by them shall be taken as one single target subscriber. Trust company that subscribes as a target subscriber may only use its own funds for subscription.

After an approval is granted by the CSRC on the consent for registration after review and approval by the Shanghai Stock Exchange (“SSE”) for the application for the Issuance, the final target subscribers will be selected through negotiation between the Board authorized by the general meeting and the sponsor (i.e., the lead underwriter) based on the prices quoted by the target subscribers for the subscription.

The selection scope of the target subscribers complies with the relevant provisions of laws and regulations, including the Measures for Administration, and is appropriate.

(II) Appropriateness of the Number of Target Subscribers

The number of target subscribers for the Issuance shall not exceed 35 (inclusive) persons. The number of target subscribers complies with relevant provisions of laws and regulations, including the Measures for Administration, and is appropriate.

(III) Appropriateness of the Standard for Target Subscribers

The target subscribers of the Issuance should have certain risk awareness and risk tolerance and corresponding capital strength. The standard for target subscribers of the Issuance complies with the provisions of relevant laws and regulations, including the Measures for Administration, and is appropriate.

IV. RATIONALITY OF THE PRINCIPLES, BASIS, METHODS AND PROCEDURES FOR THE PRICING OF THE ISSUANCE**(I) Pricing Principle and Basis of the Issuance**

The price for the issuance of A Shares to specific target shall be determined through bidding, and the pricing benchmark date shall be the first day of the Issuance period. The issue price shall be not lower than 80% of the average price at which the shares of the Company were traded for the 20 trading days prior to the pricing benchmark date (the average price at which the shares of the Company were traded for the 20 trading days prior to the pricing benchmark date = total trading volume of the shares for the 20 trading days prior to the pricing benchmark date / total number of shares traded during the 20 trading days prior to the pricing benchmark date). The final issue price will be determined by the Board through negotiation with the sponsor (lead underwriter) pursuant to the authorisation granted by the general meeting based on the results of the Issuance bidding in accordance with the relevant laws and regulations after an approval of the CSRC on the consent for registration after review and approval by the SSE.

During the period from the pricing benchmark date to the Issue Date, in the event of ex-dividend and ex-right activities such as distribution of dividend, bonus share issue, conversion of capital reserve into share capital and others, the issue price to the specific target under the issuance shall be adjusted accordingly, and the adjustment formulas shall be as follows:

In the event of distribution of cash dividends: $P_1 = P_0 - D$

In the event of bonus issues or capitalisation issues: $P_1 = P_0 / (1 + N)$

In the event that the above two items occurring simultaneously: $P_1 = (P_0 - D) / (1 + N)$

Where: P_0 denotes the issue price before adjustment; D denotes the cash dividend per Share; N denotes the number of bonus shares issued per share or number of shares converted from capital reserve into share capital; P_1 denotes the issue price after adjustment.

(II) Methods and Procedures for the Pricing of the Issuance

The pricing methods and procedures for the issuance of Shares to specific target are in compliance with the relevant provisions of the Measures for Administration and other laws and regulations. The issuance has been considered and approved at the 41st meeting of the 4th session of the Board, and the relevant announcements have been disclosed on the exchange websites and the information disclosure media designated by the CSRC. It will be submitted for deliberation at the Company's general meeting. Additionally, the Issuance is subject to the approval of the CSRC on the consent for registration after review and approval by the SSE.

The principles, basis, methods and procedures for the pricing of the Issuance meet the requirements of the Measures for Administration and other laws and regulations, and are compliant and reasonable.

V. FEASIBILITY OF THE ISSUANCE METHOD

(I) The Issuance Method is Legal and Compliant

1. The Issuance complies with the issue conditions stipulated under the Securities Law

- (1) The Issuance complies with relevant provisions of Article 9 of the Securities Law, being non-public issuance of securities shall not be made by way of advertising, public inducement or disguised publicity campaigns;
- (2) The Issuance complies with relevant provisions of Article 12 of the Securities Law, being any listed company that makes a new share issuance shall satisfy the requirements specified by the securities regulatory authority under the State Council upon approval of the State Council, and the specific administrative measures shall be prescribed by the securities regulatory authority under the State Council.

2. There are no circumstances under which the Company shall not issue shares to specific target as stipulated in Article 11 of the Measures for Administration

- (1) The use of funds previously raised being changed without permission and fail to rectify or obtain approval of shareholders at the general meeting;
- (2) The preparation and disclosure of financial statements for the most recent year do not comply with the Accounting Standards for Business Enterprises or relevant information disclosure rules in material respects; an audit report with adverse opinions or disclaimer of opinion is issued for the financial statements for the most recent year; and an audit report with qualified opinions is issued for the financial statements for the most recent year, and the material adverse impact of the matters involved in the qualified opinion on the listed company has not been eliminated, except when the Issuance involves a major asset restructuring;
- (3) The incumbent directors and senior management have been subject to administrative penalties imposed upon by the CSRC within the most recent three years or have been publicly condemned by the stock exchange within the most recent year;

- (4) The listed company or its incumbent directors and senior management are under official investigation by the judicial authority for any suspected crime or by the CSRC for any suspected violation of laws and regulations;
- (5) The controlling shareholder or actual controller commits a major illegal act that seriously harms the interests of the listed company or investors' legitimate rights and interests in the most recent three years;
- (6) There being a major illegal act that seriously harms investors' legitimate rights and interests or public interests in the most recent three years.

3. *The use of funds raised from the Issuance complies with relevant provisions of Article 12 of the Measures for Administration*

- (1) The use of raised funds shall comply with the provisions of the national industrial policies and laws and administrative regulations on environmental protection and land management;
- (2) Except for financial enterprises, the raised funds shall not be used in financial investment or directly or indirectly invested in any company which is principally engaged in securities trading;
- (3) After the implementation of the projects for which the funds are raised, there will be no related transactions that constitute horizontal competition with and are evidently unfair to the controlling shareholder, actual controller and other enterprises under their control, or that seriously affect the independence of the Company's production and business operation.

4. *The Company's current issuance of Shares to specific target complies with the relevant provisions of the Application Opinions on the Relevant Provisions of Articles 9, 10, 11, 13, 40, 57 and 60 of the Measures for Administration — Legal Application Opinion No. 18 for Securities and Futures*

(1) *Regarding large amount financial investments*

“Financial investments include, but are not limited to: investment-related financial businesses; non-financial enterprises' investment in financial businesses (excluding investments in group financial companies where the shareholding ratio does not increase before and after the investment); equity investments un-related to the company's main business; investments in industrial funds and mergers and acquisitions funds; inter-company lending; entrusted loans; purchase of financial products with large income fluctuations and high risks, etc. ‘Large amount’ means that the amount of financial investments that the company has held and intends to hold exceeds 30% of the net assets attributable to the parent

company in the company's consolidated financial statements (excluding the investment amount in financial-like businesses within the scope of the consolidated financial statements)."

As of June 30, 2025, the Company has no such large amount financial investments, which meets the requirement that there is no large amount financial investment at the end of the most recent period.

(2) Regarding the financing scale

"For a listed company applying for the Issuance of shares to specific target, the number of shares to be issued shall, in principle, not exceed 30% of the total share capital before the Issuance."

The number of shares to be issued to specific target in this offering does not exceed 205,523,670, which is not more than 30% of the Company's total share capital before the Issuance, which meets the financing scale requirements.

(3) Regarding the time interval

"For a listed company applying for additional issuance, rights issue, or issuance of shares to specific target, the date of the board resolution for the Issuance shall, in principle, be no less than 18 months after the date of receipt of the previous proceeds. If the previous proceeds have been basically used up or the investment direction of the proceeds has not changed and is invested as planned, the corresponding interval shall, in principle, be no less than 6 months."

The board resolution date of the Issuance shall be more than 18 months after the date when the Company received the previous proceeds, which meets the requirement of the time interval.

(4) Regarding the main investment in major business

The following application opinions are put forward on how the proceeds used for supplementing working capital or repaying debts apply to the "mainly invested in the major business": "For proceeds raised through rights issue, issuance of preferred shares or issuance of Shares to specific target determined by the board of directors, all the proceeds can be used for supplementing working capital and repaying debts. For proceeds raised through other methods, the proportion used for supplementing working capital and repaying debts shall not exceed 30% of the total amount of proceeds."

The total amount of proceeds to be raised by the Company in this offering (including issuance expenses) does not exceed RMB2,000,000,000.00 (inclusive). It is planned to use all the proceeds from the Issuance for investing in the project of 110,000 tons of high-performance phosphate-type cathode material, the project of 85,000 tons of high-performance phosphate-type cathode material and supplementing working capital. Among them, RMB600,000,000.00 is used for supplementing working capital, which does not exceed 30% of the total amount of proceeds. Therefore, the Company's current issuance of Shares to specific target complies with the provision of "mainly invested in the major business".

5. *The Company does not belong to the scope of enterprises that need to be punished according to the Memorandum of Cooperation on Joint Punishment of Untrustworthy Persons Subject to Execution (《關於對失信被執行人實施聯合懲戒的合作備忘錄》) and Memorandum of Cooperation on Joint Punishment of Customs Untrustworthy Enterprises (《關於對海關失信企業實施聯合懲戒的合作備忘錄》), and accordingly does not belong to general untrustworthy enterprises and customs untrustworthy enterprises.*

After self-examination, the Company does not belong to the scope of enterprises that need to be punished according to the Memorandum of Cooperation on Joint Punishment of Untrustworthy Persons Subject to Execution (《關於對失信被執行人實施聯合懲戒的合作備忘錄》) and Memorandum of Cooperation on Joint Punishment of Customs Untrustworthy Enterprises (《關於對海關失信企業實施聯合懲戒的合作備忘錄》), and accordingly does not belong to general untrustworthy enterprises and customs untrustworthy enterprises.

(II) The Procedures for the Issuance are Legal and Compliant

The matters relating to the Proposed Issuance of A Shares to Specific Target have been considered and approved at the 41st meeting of the fourth session of the Board. The relevant announcement has been published on the website of the stock exchange and in the information disclosure media designated by the CSRC, thereby completing the necessary consideration and disclosure procedures.

The Proposed Issuance of A Shares to Specific Target is subject to approval by the general meeting of the Company, review and approval by the SSE and approval for registration with the CSRC before it can be implemented.

In view of the above, the consideration and approval procedures for the issuance of Shares to specific target are legal and compliant, and the issuance method is feasible.

VI. FAIRNESS AND REASONABLENESS OF THE PLAN OF THE ISSUANCE

The issuance plan has been considered and approved at the 41st meeting of the fourth session of the Board. The implementation of the plan will be conducive to the Company's sustainable and stable development, enhance the interests of all shareholders and is in the interests of all Shareholders.

The issuance plan and related documents have been disclosed on the website of the stock exchange and in the designated information disclosure media, thereby ensuring shareholders' right to be informed.

The issuance plan is subject to approval by the general meeting of the Company, at which all shareholders will have the opportunity to vote on the plan on an equal basis. Resolutions on matters relating to the Issuance must be passed by not less than two-thirds of the voting rights held by shareholders present at the meeting. The votes of minority investors will be counted separately, and shareholders may exercise their rights either in person at the meeting or through online voting.

In view of the above, the issuance plan has been approved by the Company's Board after careful study, and it is believed that the issuance plan is in the interests of all Shareholders. Relevant disclosure procedures have been fulfilled for the issuance plan and related documents, and the shareholders' right to know has been guaranteed. At the same time, the issuance plan shall be subject to the fair voting of Shareholders present at the general meeting, which is fair and reasonable.

VII. IMPACT ON EXISTING SHAREHOLDERS' INTERESTS OR DILUTION OF IMMEDIATE RETURNS BY THE ISSUANCE AND SPECIFIC MEASURES FOR COMPENSATION

The Company carefully analyzed the impact on dilution of immediate returns by the Issuance and formulated specific measures for compensating returns in accordance with the relevant requirements of the Several Opinions of the State Council on Further Promoting the Sound Development of Capital Markets (Guo Fa [2014] No. 17), the Opinions of the General Office of the State Council on Further Enhancing the Protection of Legitimate Rights and Interests of Minority Investors in Capital Markets (Guo Ban Fa [2013] No. 110) and the Guiding Opinions on the Dilution of Immediate Returns by Initial Offering,

Refinancing and Material Asset Restructuring (CSRC Announcement [2015] No. 31) and other documents, and the relevant entities have undertaken to effectively implement the measures of the Company for compensating returns as follows:

(I) Impact of Dilution of Immediate Returns by the Issuance of Shares to Specific Target on Key Financial Indicators of the Company

1. Key assumptions and precedent conditions

The following assumptions are solely used for schematic estimation of the impact of the dilution of immediate returns by the Issuance on key financial indicators of the Company, and do not represent the judgment on Company's operating conditions and trends in the future, nor does it constitute a profit forecast of the Company. Investors shall not make investment decisions in reliance thereon. The Company will not be held liable for any loss howsoever arising from investors' investment decisions based on such information.

- (1) It is assumed that there are no significant changes in the macroeconomic environment, industrial policy, industry development conditions and market conditions.
- (2) It is assumed that the number of shares to be issued to specific target will be 30% of total share capital of the Company before the Issuance, i.e., 205,523,670 shares (the final number of shares to be issued shall be based on the actual number of shares to be issued upon the review of the Issuance by the SSE and the approval for registration by the CSRC).
- (3) It is assumed that the Issuance will be completed at the end of November 2025. The completion time, which will be used only for the purpose of calculating the impact of dilution of immediate returns under the Issuance on key financial indicators of the Company and will not constitute the commitment on the actual completion time, and shall be subject to the time when the Issuance is actually completed upon the review by the SSE and the approval for registration by the CSRC.
- (4) The Company recorded a net profit attributable to shareholders of the listed company for 2024 of –RMB635.6681 million, and realized a net profit attributable to shareholders of the listed company (net of non-recurring gains or losses) of –RMB687.9353 million. It is assumed that the net profit attributable to shareholders of the listed company and the net profit attributable to shareholders of the listed company (net of non-recurring gains or losses) in 2025 is estimated in three scenarios, i.e., a flat loss, a decrease of 50% in loss, and a decrease of 80% in loss as compared with those for 2024, respectively. The assumption is only for the calculation on the impact of the dilution of immediate returns by the issuance of Shares to specific target on key financial indicators, and

do not represent the judgment on Company's operating conditions and trends in the future, nor does it constitute a profit forecast of the Company.

- (5) It is assumed that when predicting the Company's total share capital, on the basis that the total share capital prior to the Issuance is 685,078,903 shares, only the impacts of the Proposed Issuance of Shares to Specific Target will be taken into consideration, regardless of impact of other factors on share capital of the Company.
- (6) The impact on the Company's operation and financial status (such as financial expenses and investment income) after the proceeds from the Issuance are received is not considered for the estimation.

2. *Estimated impacts on the key indicators of the Company*

Based on the above assumptions, the impact of the issuance of Shares to specific target to diluted immediate returns on the Company's key financial indicators is as follows:

Items	End of 2024/Year 2024	End of 2025/Year 2025 Before the Issuance	After the Issuance
Total share capital ('0,000 Shares)	68,507.89	68,507.89	70,632.37
Assumption 1: In 2025, the net profit attributable to shareholders of the parent company before and after deducting non-recurring items will remain flat compared to 2024			
Net profit attributable to shareholders of the parent company (RMB10,000)	-63,566.81	-63,566.81	-63,566.81
Net profit attributable to shareholders of the parent company after deducting non-recurring gains and losses (RMB10,000)	-68,793.53	-68,793.53	-68,793.53
Basic earnings per share (RMB/ share)	-1.10	-0.94	-0.92
Diluted earnings per share (RMB/share)	-1.09	-0.94	-0.92
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.19	-1.02	-1.00

Items	End of 2024/Year 2024	End of 2025/Year 2025 Before the Issuance	After the Issuance
Diluted earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.18	-1.02	-0.99
Assumption 2: In 2025, the net profit attributable to shareholders of the parent company before and after deducting non-recurring items will decrease losses by 50% compared to 2024			
Net profit attributable to shareholders of the parent company (RMB10,000)	-63,566.81	-31,783.41	-31,783.41
Net profit attributable to shareholders of the parent company after deducting non-recurring gains and losses (RMB10,000)	-68,793.53	-34,396.76	-34,396.76
Basic earnings per share (RMB/share)	-1.10	-0.47	-0.46
Diluted earnings per share (RMB/share)	-1.09	-0.47	-0.46
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.19	-0.51	-0.50
Diluted earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.18	-0.51	-0.50

Assumption 3: In 2025, the net profit attributable to shareholders of the parent company before and after deducting non-recurring items will decrease losses by 80% compared to 2024

Net profit attributable to shareholders of the parent company (RMB10,000)	-63,566.81	-12,713.36	-12,713.36
Net profit attributable to shareholders of the parent company after deducting non-recurring gains and losses (RMB10,000)	-68,793.53	-13,758.71	-13,758.71

Items	End of 2024/Year 2024	End of 2025/Year 2025 Before the Issuance	After the Issuance
Basic earnings per share (RMB/share)	-1.10	-0.19	-0.18
Diluted earnings per share (RMB/share)	-1.09	-0.19	-0.18
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.19	-0.20	-0.20
Diluted earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.18	-0.20	-0.20

Note: Relevant indicators are calculated in accordance with the requirements in the Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 9 — Calculation and Disclosure of Net Return on Assets and Earnings Per Share.

(II) Special Risk Alert in Relation to the Issuance to Dilute Immediate Returns

After completion of the Issuance, the Company's total share capital and net asset base will increase with the proceeds raised. As the benefits of the fundraising investment project are expected to be realised mainly in the medium to long term, there will be a time lag between the utilisation of the proceeds and the generation of returns. If the Company continues to record a loss in 2025, the Issuance is expected to have a positive impact on the Company's earnings per share; whereas if the Company turns profitable in 2025, there may be a risk of dilution in earnings per share. In addition, should there be material changes in the assumptions underlying the above analysis or in the Company's operating conditions, it cannot be ruled out that the impact of the Issuance on immediate return to shareholders may differ.

Investors are reminded to invest rationally and pay attention to the risk of dilution of immediate returns associated with the issuance of Shares to specific target.

(III) Necessity and Rationality for the Board to Choose the Financing

The fundraising investment project is beneficial to the Company in optimising the business structure, improving the industry position and enhancing its core competitiveness and profitability. The fundraising investment project is in line with the relevant national industrial policies, as well as the development trend and future development strategy of the industry in which the Company operates, and have good market prospects and economic benefits, and are in line with the interests of the Company and all Shareholders of the Company. For details, please refer to "Section 2

Feasibility Analysis by the Board on the Use of the Proceeds” in “Resolution on Proposed Issuance of A Shares to Specific Target in 2025 by Jiangsu Lopal Tech. Group Co., Ltd.”.

(IV) Relationship between the Fundraising Investment Project and the Company’s Existing Business, and the Company’s Reserves in Terms of Personnel, Technology and Market

1. Relationship between the fundraising investment project and the Company’s existing business

The Company specialises in the core materials of green new energy and pursues a dual-track industrial layout encompassing both new energy and traditional businesses. Its principal products include automotive specialty chemicals and phosphate-based cathode materials. The proceeds from the Issuance are intended to be applied to the 110,000-tonne high-performance phosphate-based cathode materials project, the 85,000-tonne high-performance phosphate-based cathode materials project, and as supplementary working capital. These projects are closely aligned with the Company’s principal business, comply with national industrial policies, follow industry development trends and the Company’s overall development strategy, and are expected to generate favourable economic and social benefits, which will be in the interests of the Company and whole shareholders.

2. Reserves in terms of personnel, technology and market for the fundraising investment project

The fundraising investment project have undergone thorough feasibility studies. The Company has made adequate preparations in terms of personnel, technology and market, and possesses the overall execution capability for the fundraising investment project. For further details, please refer to “Section 2 Feasibility Analysis by the Board on the Use of the Proceeds” in “Resolution on Proposed Issuance of A Shares to Specific Target in 2025 by Jiangsu Lopal Tech. Group Co., Ltd.”.

(V) Measures to Mitigate the Dilution of Immediate Return from the Issuance

To safeguard the interests of investors, reduce the risk of dilution of immediate return and enhance returns to shareholders, the Company proposes to adopt multiple measures to compensate immediate return. The Company hereby reminds investors that the adoption of the following measures does not constitute a guarantee of the Company’s future profitability.

1. Strengthening the management of proceeds to ensure proper and effective use

Pursuant to the requirements of the Company Law, the Securities Law and other applicable laws and regulations, and having regard to the Company's actual circumstances, the Company has established a management system for the proceeds, which sets out clear requirements on the designated account deposit, use, change of use, administration and supervision of the proceeds. Upon the proceeds from the issuance of Shares to specific target being received, the Board will continue to monitor their dedicated deposit, ensure their use in the designated projects, conduct periodic internal audits, and cooperate with the regulatory bank and the sponsor in their inspection and supervision of the use of proceeds, in order to ensure their proper and regulated application.

2. Enhancing operational management to improve operating efficiency

Upon the proceeds from the Issuance being received, the Company will continue to improve its internal operational management, optimise business processes and internal control systems, reduce operating costs and enhance asset utilisation efficiency. In addition, the Company will continue to advance the development of its talent system, optimise its incentive mechanisms and motivate all employees to improve their productivity and creativity. These measures are intended to enhance the Company's operating efficiency, reduce costs and improve the Company's operating benefits.

3. Further improving the profit distribution policy and optimising the investor return mechanism

In accordance with the Guidelines for the Supervision of Listed Companies No. 3 — Cash Dividends of Listed Companies issued by the CSRC, the Company plans to further improve its profit distribution policy, strengthen its investor return mechanism and ensure the protection of the interests of shareholders, in particular minority shareholders. The Company values reasonable returns to investors and maintaining stability and continuity in its profit distribution policy. Following the issuance of Shares to specific target, the Company will, in accordance with the relevant requirements, strictly implement its cash dividend policy and shareholder return plan to safeguard investors' interests.

(VI) Undertakings Relating to the Effective Implementation of the Measures to Mitigate the Dilution of Immediate Return

To safeguard the right to information of minority investors and protect their interests, the relevant parties have undertaken to ensure the effective implementation of the measures adopted by the Company to mitigate the dilution of immediate return arising from the issuance of Shares to specific target. The details are as follows:

1. Undertakings by directors and senior management of the Company regarding the measures to mitigate the dilution of immediate return

- (1) to undertake not to transfer benefits to other entities or individuals without consideration or on unfair terms, and not to harm the interests of the Company by other means;
- (2) to undertake to restrict personal consumption relating to their positions;
- (3) to undertake not to use the Company's assets for investments or consumption activities unrelated to the performance of their duties;
- (4) to undertake to actively facilitate the linkage between the remuneration system formulated by the Board or the Remuneration and Evaluation Committee and the implementation of the measures to mitigate the dilution of immediate return;
- (5) to undertake, in the event that the Company formulates or amends its equity incentive plan in the future, I will actively facilitate the linkage between the exercise conditions of such future equity incentive plan and the implementation of the measures to mitigate the dilution of immediate return;
- (6) From the date of issuance of this undertaking until the completion of the Issuance, if the CSRC, the Shanghai Stock Exchange or other regulatory authorities issue new regulatory requirements on the measures to mitigate the dilution of immediate return and such provisions which are not met by the above undertakings, to issue a supplementary undertaking in accordance with the latest requirements of the relevant regulatory authorities;
- (7) I hereby undertake to earnestly implement the relevant return remedial measures formulated by the Company and to perform my undertakings made in respect of such. If I violate the above undertakings and cause losses to the Company or investors, I willingly undertake to assume compensation liabilities to the Company or investors in accordance with the law.

In the event that the above undertakings are breached or not to be implemented, I hereby give my consent that relevant penalties or administrative measures shall be taken against me in accordance with the relevant provisions and rules issued by securities regulatory authorities such as the CSRC and the Shanghai Stock Exchange.

2. *The undertaking given by controlling shareholder and de facto controller of the Company in relation to the Company's return remedial measures*

- (1) Not to exceed its authority to intervene in the operation and management activities of the listed company and will not infringe the interests of the listed company;
- (2) Earnestly implement the relevant immediate return remedial measures formulated by the listed company and to perform this undertaking. If they violate this undertaking or refuse to perform it and cause losses to the listed company or shareholders, they agree to assume corresponding legal liabilities in accordance with laws, regulations and the relevant provisions of securities regulatory authorities;
- (3) From the date of issuance of this undertaking until the completion of the Issuance, if the CSRC, the Shanghai Stock Exchange or other regulatory authorities issue new regulatory requirements on the measures to mitigate the dilution of immediate return and such provisions which are not met by the above undertakings, I undertake to issue a supplementary undertaking in accordance with the latest requirements of the relevant regulatory authorities.

VIII. CONCLUSION

In summary, the issuance of Shares to specific target by the Company is necessary and feasible. The Issuance plan is fair and reasonable and complies with the requirements of relevant laws and regulations. It is conducive to enhancing the Company's competitiveness and sustainable operating capacity, aligns with the Company's actual operating conditions and development strategic plans, and is in the interests of the Company and shareholders as a whole.

**APPENDIX II THE FEASIBILITY ANALYSIS REPORT ON THE USE OF PROCEEDS
FROM THE PROPOSED ISSUANCE OF A SHARES TO SPECIFIC TARGET**

Jiangsu Lopal Tech. Group Co., Ltd. (the “**Company**”) proposes to issue A Shares to specific targets (the “**Issuance**”) in order to further implement the Company’s development strategy, seize the opportunities of rapid development of NEV and energy storage market, and further enhance the competitiveness of the Company’s core business. The feasibility analysis of the Company’s use of proceeds from the Issuance is as follows:

I. APPLICATION PLAN OF PROCEEDS

The proceeds from the Proposed Issuance of A Shares to Specific Target is no more than RMB2.0 billion (inclusive). The net proceeds after deducting relevant issuance expenses are intended to be used for the following projects:

Unit: RMB0’000

No.	Project Name	Total Project Investment	Proposed Use of Proceeds
1	110,000-ton High-performance Phosphate Iron-Based Positive Electrode Material Project	100,000.00	80,000.00
2	85,000-ton High-performance Phosphate Iron-Based Positive Electrode Material Project	79,000.00	60,000.00
3	Supplemental Working Capital	<u>60,000.00</u>	<u>60,000.00</u>
	Total	<u>239,000.00</u>	<u>200,000.00</u>

Before the proceeds of the Issuance are in place, the Company will invest the self-raised funds in advance based on the actual situation of the fundraising investment project, and replace them according to relevant prescribed procedures after the proceeds are in place. If the actual net proceeds after deducting the issuance expenses is less than the total amount of the raised funds to be invested after the proceeds are in place, the Company will adjust and finally determine the specific investment projects, priority order and specific investment amount of each project of the proceeds according to the actual amount of the proceeds and the priority of the projects within the scope of the fundraising investment project in the Issuance and the shortfall of proceeds shall be solved by the Company itself.

II. BASIC INFORMATION AND FEASIBILITY ANALYSIS OF THE FUNDRAISING INVESTMENT PROJECT

(I) Basic Information of the Fundraising Investment Project

1. *110,000-ton high-performance phosphate iron-based positive electrode material project*

(1) *Project overview*

Project name: 110,000-ton High-performance Phosphate Iron-Based Positive Electrode Material Project

Business entity: Shandong Liyuan, the controlled grandchild subsidiary of the Company. After the proceeds are in place, the Company intends to increase capital and share in Changzhou Liyuan, a holding subsidiary, and Changzhou Liyuan will increase capital and share in or borrowings from its wholly-owned subsidiary Shandong Liyuan

Construction Place: Juancheng County, Heze City, Shandong Province

Construction content: 110,000-ton new high-performance phosphate iron-based positive electrode material production line

(2) *Project investment estimate*

The investment of the project is estimated as follows:

Unit: RMB0'000

No.	Project	Investment amount	Proportion
1	Equipment investment	85,700.80	85.70%
2	Software investment	1,460.00	1.46%
3	Preparation fees	4,358.00	4.36%
4	Initial working capital	<u>8,481.20</u>	<u>8.48%</u>
Total investment amount		<u>100,000.00</u>	<u>100.00%</u>

(3) *Estimated economic benefits of the project*

The project is expected to have sound economic benefits.

(4) Approvals related to the project

As of the announcement date of this report, the relevant filing and environmental impact assessment (EIA) approval procedures for this project are currently in progress.

2. The 85,000-ton high-performance phosphate-based cathode materials project

(1) Project overview

Project name: The 85,000-ton high-performance phosphate-based cathode materials project

Business entity: Hubei Liyuan, the controlled grandchild subsidiary of the Company. After the proceeds are in place, the Company intends to increase capital and share in Changzhou Liyuan, a holding subsidiary, and Changzhou Liyuan will increase capital and share in or borrowings from its wholly-owned subsidiary Hubei Liyuan

Construction Place: Xiangcheng District, Xiangyang City, Hubei Province

Construction Content: 85,000-ton new high-performance phosphate-based cathode materials production line

(2) Project investment estimate

The investment of the project is estimated as follows:

Unit: RMB0'000

No.	Item	Investment Amount	Proportion
1	Equipment Investment	66,568.70	84.26%
2	Software Investment	1,460.00	1.85%
3	Preparation fees	3,401.00	4.31%
4	Initial working capital	<u>7,570.30</u>	<u>9.58%</u>
Total Investment amount		<u>79,000.00</u>	<u>100.00%</u>

(3) Estimated economic benefits of the project

The project is expected to have sound economic benefits.

(4) Regulatory approvals involved of the Project

As of the date of the Announcement, the Project has obtained the Hubei Investment Project Filing Certificate (Project Code: 2508-420602-04-01-538613) issued by the Xiangcheng District Development and Reform Bureau of Xiangyang City. The environmental impact assessment (EIA) approval procedures are currently in progress.

3. *Supplementary working capital*

The Company intends to allocate RMB600.00 million of the raised funds to supplement working capital, aiming to better meet the financial needs of future business development, further reduce the debt-to-asset ratio, optimize the capital structure, and enhance financial stability.

(II) Necessity and Feasibility Analysis of the Fundraising Investment Project

1. *Capacity Expansion Projects*

Both the 110,000-ton high-performance phosphate-based cathode materials projects and 85,000-ton high-performance phosphate-based cathode materials projects are capacity expansion initiatives for LFP cathode materials. The necessity and feasibility analysis of its construction are as follows:

(1) Necessity of the Project

- ① Responding to the national “Energy Revolution” goals and seizing opportunities in the green energy transition

Against the backdrop of escalating global climate change and the intersection of energy security and technological innovation, countries worldwide are accelerating the transition to green and low-carbon energy structures. Building a clean, low-carbon, safe, and efficient energy system is a primary focus of China’s energy revolution. Energy-efficient applications like new energy vehicles (NEV) and energy storage systems, which enable effective energy production, are not only key manifestations of this revolution but also accelerating the pace of green energy transition. In NEV sector, according to GGII data, global NEV sales reached 16.68 million units in 2024, representing a 21% year-on-year increase, driving power battery installations to 841GWh, representing a 19% year-on-year increase. In energy storage market sector, according to GGII data, China’s lithium-ion energy storage battery shipments totaled 335GWh in 2024, representing a 64% year-on-year increase, accounting for over 90% of the global market share. With the profound transformation of the energy consumption structure, the new energy vehicle and energy storage markets will continue to grow rapidly, driving the increasing demand for cathode

materials. LFP materials, with their high safety, low cost, and long cycle life, continue to solidify their dominant position in power batteries and energy storage applications.

As one of the world's major LFP cathode material manufacturers, the Company has established strong business relationships with well-known lithium-ion battery manufacturers, including CATL, LG Energy Solution, REPT BATTERO, SUNWODA, CORNEX New Energy and Blue Oval. To meet the sustained growth in downstream demand, the Company needs to expand its advanced production capacity layout, further optimize its product structure, and upgrade product performance. This will enable the Company to respond to the national "Energy Revolution" goals, seize opportunities arising from the green energy transition, and meet the growing and evolving market demand.

- ② Enhance the supply capacity of high-performance products to meet the increasingly differentiated and rapidly growing market demand

Since 2022, the expansion of lithium iron phosphate ("LFP") production capacity and the decline in lithium carbonate prices have led to periodic overcapacity in the LFP cathode material industry. However, downstream demand remains growing with differentiated requirements for lithium battery performance by different application scenarios, which also continuously brings demand for cathode materials with diversity and enhanced specific performance. In recent years, the Company has continued to invest in research and development and attached importance to technological innovation, launching differentiated products in terms of energy density, low-temperature performance, battery life, and high cost performance. These include the fourth-generation high-voltage LFP cathode material using 'single-sintering' process technology, Iron Lithium 1 (鐵鋰1號) featuring excellent low-temperature performance, Range 1 (續航1號) with longer cycle life, Manganese Lithium 1 (錳鋰1號) and other lithium-ion manganese iron phosphate ("LMFP") products. The demand for these products continues to grow.

The Company plans to leverage the fundraising investment project to build a production line mainly focusing on the production of the fourth-generation high-voltage LFP cathode material while also compatible with various high-performance phosphate cathode material products. This will enhance the Company's ability to flexibly respond to market demand and give full play to the differentiated advantages of its products.

Through the implementation of the fundraising investment project, the Company's supply capacity of high-performance phosphate cathode materials will be significantly improved. It will help to further optimize the Company's product structure, meet the growing downstream demand for high-performance phosphate cathode materials, enhance the Company's product differentiation competitiveness, and consolidate the market position of the Company.

- ③ Proactively expand advanced production capacity and enhance the ability to provide nearby ancillary services for downstream customers

In recent years, battery manufacturers represented by CATL, BYD, and Chu Neng New Energy have continuously increased their production capacity layouts. Since leading downstream battery enterprises focus on suppliers' technical capabilities and effective production capacity in the process of supplier selection, in addition to maintaining technical advantages, taking the lead in expanding the production capacity of high-performance products is a necessary condition for obtaining orders corresponding to the new production capacity of battery manufacturers so far as the LFP cathode material manufacturers are concerned.

The fundraising investment project will help the Company provide nearby ancillary services for the new production capacity of battery manufacturers, improve the Company's supply capacity of high-performance phosphate cathode materials, and further increase the market share of the Company's high-performance phosphate cathode materials.

(2) Feasibility of Project Implementation

- ① A sound industrial supportive policy system creates a solid policy foundation

The energy-efficient utilization represented by new energy vehicles (NEVs) and the effective production of energy exemplified by energy storage not only constitute pivotal manifestations of the energy revolution but also significantly accelerate the pace of green energy transition through their widespread adoption. In recent years, the State Council and multiple ministries including the National Development and Reform Commission, the Ministry of Industry and Information Technology, the Ministry of Finance, the Ministry of Science and Technology, and the Ministry of Ecology and Environment have engaged in coordinated planning to study, formulate, and progressively roll out a series of plans and management policies. These measures aim to guide, support and regulate the development of

NEVs, energy storage, and battery recycling industries for their healthy growth. Local governments have also actively introduced corresponding supporting industrial policies, forming a favorable external policy environment. All of these provide an important policy foundation for the implementation of the fundraising investment project.

- ② Strong demand for NEVs and energy storage provides a market foundation for absorbing new production capacity

In recent years, China's NEV industry has thrived with robust supply and demand. According to data from the Ministry of Industry and Information Technology, NEV sales in China reached 9.495 million units, 12.866 million units and 6.937 million units in 2023, 2024 and the first half of 2025, representing year-on-year growth of 37.9%, 35.5% and 40.3%, respectively. In the first half of 2025, the NEV penetration rate reached 44.3%, while NEV exports surged to 1.06 million units, up 75.2% year-on-year. Benefiting from the rapid development of the downstream NEV sector, the power battery market has expanded significantly. Data from GGII shows that China's power battery shipments totaled 630 GWh, 780 GWh and 477 GWh in 2023, 2024 and the first half of 2025, with year-on-year growth rates of 31%, 23%, and 49%, respectively. With advancements in power battery technology and performance, a vastly expanded selection of NEV models, continuous improvements in supporting infrastructure, and the sustained global expansion of Chinese NEVs, power battery demand is expected to maintain rapid growth in the foreseeable future.

Meanwhile, the energy storage market demonstrates immense growth potential. New energy storage solutions, such as lithium battery, were first included in China's Government Work Report in 2024. The 2025 Government Work Report further elevated new energy storage technologies to an emerging industry targeted for accelerated development. According to GGII statistics, China's energy storage lithium battery shipments totaled 206GWh, 335GWh and 265GWh in 2023, 2024 and the first half of 2025, with year-on-year growth rates of 58%, 64% and 128%, respectively. Under China's "Dual Carbon" goals, the acceleration of clean energy construction will lead to a continuous growth in the demand for energy storage. Supportive policies for the energy storage field have been continuously introduced both at home and abroad. Currently, the energy storage market has entered a stage of rapid development.

The rapid development of both the new energy vehicle and energy storage markets, coupled with robust demand for power batteries and energy storage batteries, provides strong market assurance for absorbing the additional production capacity from the fundraising investment project.

- ③ Established premium client resources provides stable client base for absorbing the production capacity from this project

Lithium battery manufacturers conduct rigorous technical and production capacity assessments on lithium battery cathode material suppliers to ensure product performance and quality of lithium batteries, leading to stable long-term partnerships upon qualification. Through continuous quality improvements, technological upgrades, and product iterations, the Company constantly provides quality products for clients and has established strong business relationships with leading battery producers including CATL, LG Energy Solution, REPT, Sunwoda, Truenergy, and Blue Oval, and has secured five-year cooperation agreements with some clients.

The extensive client coverage and strong cooperative relationships provide a solid client foundation for the implementation of the fundraising investment project.

- ④ Strong R&D capabilities and a diverse product portfolio provide a solid foundation for this project

The Company has consistently invested in R&D, with cumulative R&D expenditures reaching RMB1.585 billion from 2022 to 2024. The Company has always attached great importance to the R&D of products and technological processes. We maintain three R&D centers in Changzhou, Shenzhen, and Nanjing, staffed by over 300 researchers, constantly increasing R&D investment on LFP cathode materials, sodium-ion battery cathode materials, and solid-state battery technologies. Our innovative R&D management system ensures technological leadership and product competitiveness, which facilitates new production capacity planning and enhances construction efficiency. For the capacity expansion in the fundraising investment project, the Company has completed substantial preparatory technical work and filed or obtained multiple core patents.

Through years of R&D, the Company has established a comprehensive development system for lithium battery material production technologies. We have built a diversified product matrix with differentiated advantages in energy density, low-temperature

performance, endurance, and cost-effectiveness. This enables the Company to flexibly adapt to varying customer demands and utilize production capacity.

2. *Working Capital Supplement Project*

From a business perspective, upon the implementation of fundraising investment project, the Company's production capacity will further expand, which in turn will increase the Company's working capital requirements. Moreover, the investment in research and development of new products and technologies also places certain demands on the Company's capital reserves. Once the supplementary working capital is in place, the Company will have sufficient funds for technological research and development, talent acquisition and market development. This will help enhance the market competitiveness of the Company's products, strengthen its business expansion capability, and provide support and safeguard the Company's sustainable development.

From a financial perspective, the Company has a relatively high asset-liability ratio. The use of debt financing instruments will increase the Company's financial risks, while financial expenses will also affect the Company's profitability. Once the supplementary working capital is in place, the Company's financial strength will be enhanced, which will help reduce financial expenses, ensure the Company's production and operations, and strengthen its ability to resist financial risks. In addition, the Issuance will increase the Company's net asset, lower the asset-liability ratio, effectively improve the Company's capital structure, and provide financial support for the Company's future business development.

Therefore, the allocation of part of the proceeds to supplement working capital ensures that the Company has sufficient operating funds, which is not only fundamental for the Company's business development, but also necessary for withstanding market risks and financial risks, responding to changes in market demand, and enhancing competitiveness.

III. IMPACT OF THE PROPOSED ISSUANCE OF A SHARES TO SPECIFIC TARGET ON THE COMPANY'S OPERATIONAL MANAGEMENT AND FINANCIAL CONDITION

(1) Impact on Operational Management of the Company

The fundraising investment project focused on the Company's main business, which is in line with national industrial policies and the Company's overall business development strategy. Its implementation will help further expand the Company's business, enable the Company to seize opportunities in the green energy transition, and further consolidate and enhance the Company's competitive edge in the industry, thereby aligning with the Company's long-term development needs and the interests of shareholders.

(2) Impact on the Financial Condition of the Company

Upon completion of the Proposed Issuance of A Shares to Specific Target, the Company's financial strength will be further enhanced. Both total assets and net assets of the Company will increase, and its cash flow position and financial condition will be further improved. Meanwhile, the Company's asset structure will be optimized, with its financial strength, risk-resistance capability and subsequent financing capacity strengthened. However, as it will take some time for the fundraising investment project to generate benefits. If the Company subsequently achieves profitability, there is a risk that earnings per share will be diluted in the short term. Therefore, there is a risk that the Company's earnings per share may be diluted in the short term. The implementation of the fundraising investment project will help increase the Company's revenue and profit from its main business, as well as enhance its comprehensive strength and core competitiveness.

IV. CONCLUSION ON FEASIBILITY ANALYSIS

In summary, this project on raising funds through the Proposed Issuance of A Shares to Specific Target is in line with the national policies on industrial development plans, represents a crucial measure for the Company to capitalize on opportunities arising from the green energy transition, and is consistent with the needs of industrial development as well as the Company's strategic development objectives. The implementation of the fundraising investment project will enable the Company to respond to the emerging demand driven by the rapid development of the downstream new energy vehicle and energy storage sectors, further enhance the supply capacity of high-performance products and the Company's market share, meet the capital needs of its business development and further expand the Company's business scale, which is in the interests of all shareholders. Therefore, the fundraising investment project is both necessary and feasible.

Board of Directors of Jiangsu Lopal Tech. Group Co., Ltd.

August 20, 2025

According to the requirements of Guidelines for the Application of Regulatory Rules — Issuance No. 7 issued by the China Securities Regulatory Commission, Jiangsu Lopal Tech. Group Co., Ltd (the “**Company**”) hereby presents the special report on the use of proceeds previously raised as at June 30, 2025 as follows:

I. BASIC INFORMATION ABOUT PREVIOUS PROCEEDS

(1) Amount of Previous Proceeds and Date of Receipt

1. Proceeds from the public issuance of convertible corporate bonds in 2019

Pursuant to the approval granted by the China Securities Regulatory Commission in its Reply on Approving the Public Offering of Convertible Corporate Bonds by Jiangsu Lopal Tech. Group Co., Ltd. (Zheng Jian Xu Ke [2020] No. 297), the Company publicly issued convertible corporate bonds with a total nominal value of RMB400,000,000. After deduction of the sponsor and underwriting fees of RMB5,000,000.00 already paid, the Company received a total of RMB395,000,000.00 in raised funds. The aforementioned funds were received on April 29, 2020, and have been verified by Jonten Certified Public Accountants (Limited Liability Partnership) and confirmed in its Capital Verification Report (Zhong Tian Yun [2022] Yan Zi No. 90023). All proceeds have been placed in dedicated escrow accounts for the exclusive use of the raised funds. After further deduction of issuance expenses (including legal fees, accounting fees, credit rating fees, disclosure fees, and issuance handling fees) of RMB2,439,000.00, the gross proceeds amounted to RMB392,561,000.00.

2. Proceeds from the non-public issuance of shares in 2021

Pursuant to the approval granted by the China Securities Regulatory Commission in its Reply on Approving the Non-public Issuance of A Shares by Jiangsu Lopal Tech. Group Co., Ltd. (Zheng Jian Xu Ke [2022] No. 621), the Company completed the non-public issuance of 82,978,551 RMB ordinary shares (A shares), each with a par value of RMB1.00, at an issue price of RMB26.51 per share. Gross proceeds amounted to RMB2,199,999,977.01. After deduction of the underwriting and sponsor fees not yet settled, the remaining balance of RMB2,177,803,577.01 was remitted by the sponsor, Guotai Junan Securities Co., Ltd., to the Company’s designated escrow account on May 18, 2022. The proceeds were verified by Jonten Certified Public Accountants (Limited Liability Partnership) and confirmed in its Capital Verification Report (Zhong Tian Yun [2022] Yan Zi No. 90024). All proceeds have been placed in dedicated escrow accounts for the exclusive use of the raised funds. After further deduction of issuance expenses of RMB24,468,856.18, the net proceeds from the non-public issuance totalled RMB2,175,531,120.83.

(2) Deposition of Previous Proceeds in Special Account***1. Proceeds from the public issuance of convertible corporate bonds in 2019***

As of June 30, 2025, the Company's "Annual Production of 180,000 Tons of Calcium Carbonate Project" has accumulated investments of RMB110.9261 million. The "New Energy Vehicle Coolant Production Base Construction Project" has accumulated investments of RMB35.2225 million. The "Replenishment of Working Capital Project" has accumulated investments of RMB93.9305 million, and the "Annual Production of 40,000 Tons of Battery-Grade Energy Storage Materials Project" has accumulated investments of RMB296.2659 million (since the remaining funds were used for the "Annual Production of 40,000 Tons of Battery-Grade Energy Storage Materials Project" after completion or modification of the Company's 2019 public offering of convertible corporate bonds fundraising investment projects, including the "Annual Production of 180,000 Tons of Calcium Carbonate Project" and "New Energy Vehicle Coolant Production Base Construction Project", and the 2021 non-public issuance of shares fundraising investment project "Annual 600,000-tonne Vehicle Urea Project", the cumulative investment amounts of the two fundraising projects are calculated in aggregate). As of June 30, 2025, the net amount of investment income and interest income received, after deducting fees, was RMB17.2175 million. Actual expenses paid for issuance-related matters amounted to RMB2.2275 million. The amount transferred from the fundraising account to supplement working capital was RMB0.0671 million. As of the date of this report, all fundraising accounts have been closed.

2. Proceeds from the non-public issuance of shares in 2021

As at June 30, 2025, an aggregate of RMB718.2220 million had been applied to the "Large-scale Production Project of NEV Power and Energy Storage Cathode Material" by the Company, RMB256.1979 million to the "Annual 600,000-tonne Vehicle Urea Project", RMB504.5113 million to the "Replenishment of Working Capital Project" and RMB296.2659 million to the "Annual 40,000-tonne Battery-grade Energy Storage Materials Project" (since the remaining funds were used for the "Annual Production of 40,000 Tons of Battery-Grade Energy Storage Materials Project" after completion or modification of the "Annual Production of 180,000 Tons of Calcium Carbonate Project," "New Energy Vehicle Coolant Production Base Construction Project" and the proceeds from the non-public issuance of shares in 2021 "Annual 600,000-tonne Vehicle Urea Project", the cumulative investment amounts of the two fundraising projects are calculated in aggregate). Unredeemed principal placed in wealth-management products amounted to RMB567.0000 million. As of June 30, 2025, the aggregate net investment and interest income received, after deducting bank charges, was RMB46.4196 million (including cumulative investment and interest income transferred to the Annual 40,000-tonne Battery-grade Energy Storage Materials Project), and RMB11.3380 million was

transferred from closed escrow sub-accounts to supplement working capital. The balance held in the dedicated escrow accounts as at June 30, 2025 was RMB21.6400 million.

(3) Deposit of Proceeds at the Special Account

As of June 30, 2025, the deposit of proceeds is set out below:

1. Proceeds from the public issuance of convertible corporate bonds in 2019

As at June 30, 2025, the balance of the proceeds account was nil.

2. Proceeds from the non-public issuance of shares in 2021

(1) Three-Party Supervision Agreement

Special Account Bank	Bank account	Balance of deposit (RMB10,000)
Bank of China Limited Nanjing Xingang Sub-branch	544377644819	53.74

(2) Four-Party Supervision Agreement

Special Account Bank	Bank account	Balance of deposit (RMB10,000)
Bank of China Limited Nanjing Xingang Sub-branch	523577648926	211.89

(3) Five-Party Supervision Agreement

Special Account Bank	Bank account	Balance of deposit (RMB10,000)
Bank of China Limited Nanjing Xingang Sub-branch	487177644930	1,898.37

II. ACTUAL UTILIZATION OF PREVIOUSLY FUNDS RAISED**(1) Utilization of Funds Raised Investment Project (hereinafter Referred to as “Fundraising Investment Project”)*****1. Proceeds from the public issuance of convertible corporate bonds in 2019***

For details on the utilization of funds from the Company’s Fundraising Investment Project in relation to public issuance of convertible corporate bonds in 2019, please refer to the “Comparison Table of Use of Proceeds from the Public Issuance of Convertible Corporate Bonds in 2019” (See Schedule 1)

2. Proceeds from the non-public issuance of shares in 2021

For details on the utilization of funds from the Company’s Fundraising Investment Project in relation to non-public issuance of shares in 2021, please refer to the “Comparison Table of Use of Proceeds from the Non-public Issuance of Shares in 2021” (See Schedule 2)

(2) Replacement of Self-raised Funds Pre-invested in Funds Raised Investment Project with Previously Funds Raised***1. Proceeds from the public issuance of convertible corporate bonds in 2019***

On June 30, 2020, the 6th meeting of the Third session of the Board of Directors reviewed and approved the “Proposal on Replacement of Pre-invested Self-raised Funds with Funds Raised”, which agree the Company (including subsidiaries) to replace pre-invested self-raised funds with RMB31.6976 million of funds raised. Jonten Certified Public Accountants (Limited Liability Partnership) has conducted a special audit on the Company regarding the matter of replacement of pre-invested self-raised funds with funds raised and issued the “Verification Report on Jiangsu Lopal Tech Co., Ltd.’s Replacement of Self-raised Funds Pre-invested in Fundraising Investment Project with Funds Raised” (Jonton [2020] Audit No. 90338).

Details of the replacement of pre-invested self-raised funds with funds raised are as follows:

Unit: RMB0'000

No.	Funds Raised Investment Project	Planned use of raised funds	Pre-invested self-raised funds
1	Annual 180,000 tons of colanidin project	16,500.00	2,840.96
2	New energy vehicle coolant production base construction project	13,500.00	328.80
Total		<u>30,000.00</u>	<u>3,169.76</u>

2. *Proceeds from the non-public issuance of shares in 2021*

On June 13, 2022, the 34th meeting of the Third session of the Board of Directors and the 26th meeting of the Third session of the Board of Supervisors reviewed and approved the “Proposal on Replacement of Pre-invested Self-raised Funds with Funds Raised”, which agree to replace pre-invested self-raised funds with RMB362.6848 million of funds raised. Jonten Certified Public Accountants (Limited Liability Partnership) has conducted a special audit on the Company regarding the matter of replacement of pre-invested self-raised funds with funds raised and issued the “Verification Report on Jiangsu Lopal Tech Co., Ltd.’s Replacement of Self-raised Funds Pre-invested in Fundraising Investment Project with Funds Raised” (Jonton [2022] Audit No. 90274).

Details of the replacement of pre-invested self-raised funds with funds raised are as follows:

Unit: RMB0'000

No.	Funds Raised Investment Project	Adjusted Proposed Utilization Amount of Funds Raised	Amount of Pre-invested Self-raised Funds
1	Large-scale production project of NEV power and energy storage cathode material	129,000.00	20,914.17
2	Annual 600,000-tonne vehicle urea project	38,553.11	15,354.31
Total		<u>167,553.11</u>	<u>36,268.48</u>

(3) Changes to the Actual Utilization of Previously Funds Raised***1. Proceeds from the public issuance of convertible corporate bonds in 2019***

On August 2, 2023, the 9th meeting of the Fourth session of the Board of Directors reviewed and approved the “Proposal on Changing in Part of the Fund-raising Investment Projects”, which agree to change the investment project financed by proceeds of “New energy vehicle coolant production base construction project” to “Annual 40,000-tonne battery-grade energy storage materials project”.

2. Proceeds from the non-public issuance of shares in 2021

On June 13, 2022, the 34th meeting of the Third session of the Board of Directors and the 26th meeting of the Third session of the Board of Supervisors reviewed and approved the “Proposal on Changing the Implementing Entity of Certain Funded Projects, Increasing Capital to Wholly-owned Subsidiaries with Raised Funds, and Providing Loans by Wholly-owned Subsidiaries to Wholly-owned Subsidiary of a Subsidiary”, which agree to change the implementing entity of the 2021 non-public issuance of Fundraising Investment Project “Annual 600,000-tonne vehicle urea project” from Hubei Green Melon Biotechnology Co., Ltd. (a wholly-owned subsidiary), Sichuan Kelas Environmental Protection Technology Co., Ltd. and Shandong Kelas Environmental Protection Technology Co., Ltd. (both are wholly-owned subsidiary of a subsidiary) to Hubei Kelansu Environmental Protection Technology Co., Ltd., Sichuan Kelas Environmental Protection Technology Co., Ltd., and Shandong Kelas Environmental Protection Technology Co., Ltd. (all three are wholly-owned subsidiary of a subsidiary).

This change only involves the implementing entity of certain Fundraising Investment Project. The purpose is to consolidate the vehicle urea projects under Jiangsu Kelas Environmental Protection Technology Co., Ltd. and its subsidiaries. The project scope, location, and funding amount remain unchanged, and there is no disguised alteration of the use of funds raised.

(4) Temporary Use of Idle Raised Funds to Temporarily Replenish Working Capital***1. Proceeds from the public issuance of convertible corporate bonds in 2019***

On April 7, 2022, the 31st meeting of the Third session of the Board of Directors reviewed and approved the “Proposal on Using Part of Idle Raised Funds for Temporary Replenishment of Working Capital,” which agree to use no more than RMB200 million of idle proceeds (including RMB100 million of proceeds from the initial public offering of shares and RMB100 million of proceeds from the public issuance of convertible corporate bonds in 2019) to temporarily replenish working capital. The usage period shall not exceed 12 months from the date of board approval, after which the Company will promptly

and fully return the funds to special accounts for proceeds. The independent Directors and the Supervisory Committee expressed their consent on the aforementioned matter, and the sponsor issued a verification opinion.

At the 5th meeting of the fourth session of the Board of Directors held on April 25, 2023, the “Proposal on Using Part of Idle Raised Funds for Temporary Replenishment of Working Capital” was considered and approved, under which the Company was approved to temporarily use the proceeds raised of not exceeding RMB650 million (including RMB150 million of proceeds from the public issuance of convertible corporate bonds in 2019 and RMB500 million of proceeds from the non-public issuance of shares in 2021) to supplement its working capital within a period of 12 months commencing from the date of approval of the Board of Directors and it would fully repay the money to the Company’s special account for proceeds raised in a timely manner upon the expiration of the said period. The independent Directors and the Supervisory Committee expressed their consent on the aforementioned matter, and the sponsor issued a verification opinion.

2. *Proceeds from the non-public issuance of shares in 2021*

At the 34th meeting of the third session of the Board of Directors held on June 13, 2022, the “Proposal on the Temporal Use of Partial Idle Proceeds Raised to Supplement the Working Capital of the Company” was considered and approved, under which the Company was approved to temporarily use the proceeds from the non-public issuance of shares in 2021 of not exceeding RMB400 million to supplement its working capital within a period of 12 months commencing from the date of approval of the Board of Directors, and it would fully repay the said funds to the special account for raised funds in a timely manner upon expiration.

At the 5th meeting of the fourth session of the Board of Directors held on April 25, 2023, the “Proposal on the Temporal Use of Partial Idle Proceeds Raised to Supplement the Working Capital of the Company” was considered and approved, under which the Company was approved to temporarily use the proceeds raised of not exceeding RMB650 million (including RMB150 million from the proceeds from the public issuance of convertible corporate bonds in 2019 and RMB500 million from the proceeds from the non-public issuance of shares in 2021) to supplement its working capital within a period of 12 months commencing from the date of approval of the Board of Directors, and it would fully repay the said funds to the special account for raised funds in a timely manner upon expiration. The independent directors and the Supervisory Committee issued consenting opinions on the above matters, and the sponsor institution issued a verification opinion.

At the 19th meeting of the fourth session of the Board of Directors and the 16th meeting of the fourth Supervisory Committee held on April 25, 2024, the “Proposal on Using Part of Idle Raised Funds for Temporary Replenishment of

Working Capital” was considered and approved, under which the Company was approved to temporarily use the proceeds raised from the 2021 non-public offering of shares of not exceeding RMB600 million to supplement its working capital within a period of 12 months commencing from the date of approval of the Board of Directors and it would fully repay the money to the Company’s special account for proceeds raised in a timely manner upon the expiration of the said period.

At the 34th meeting of the fourth session of the Board of Directors and the 26th meeting of the fourth Supervisory Committee held on March 28, 2025, the “Proposal on Using Part of Idle Raised Funds for Temporary Replenishment of Working Capital” was considered and approved, under which the Company was approved to temporarily use the proceeds raised from the 2021 non-public offering of shares of not exceeding RMB500 million to supplement its working capital within a period of 12 months commencing from the date of approval of the Board of Directors and it would fully repay the money to the Company’s special account for proceeds raised in a timely manner upon the expiration of the said period.

At the 39th meeting of the fourth session of the Board of Directors and the 30th meeting of the fourth Supervisory Committee held on June 27, 2025, the “Proposal on Using Part of Idle Raised Funds for Temporary Replenishment of Working Capital” was considered and approved, under which the Company was approved to temporarily use the proceeds raised from the 2021 non-public offering of shares of not exceeding RMB500 million to supplement its working capital within a period of 12 months commencing from the date of approval of the Board of Directors and it would fully repay the money to the Company’s special account for proceeds raised in a timely manner upon the expiration of the said period.

(5) Cash management of idle proceeds and investment in related products

1. Proceeds from the public issuance of convertible corporate bonds in 2019

On June 30, 2020, the Company held the sixth meeting of the third session of the Board of Directors and the fifth meeting of the third session of the Supervisory Committee, where the Proposal on the Use of Idle Proceeds for Cash Management was considered and approved, under which the Company (including its subsidiaries and grandchild companies) was approved to use idle proceeds of up to RMB350 million for timely cash management, provided that such use would not affect the construction progress of projects funded by the proceeds or the use of the proceeds, while also ensuring the daily operational funding needs and effectively controlling investment risks. The term of such cash management shall not exceed one year. The independent directors and supervisors of the Company expressed their consent through independent opinions, and the sponsor CITIC Securities Co., Ltd. provided a clear verification opinion on this matter.

On March 25, 2021, the Company held the fifteenth meeting of the third session of the Board of Directors and the eleventh meeting of the third session of the Supervisory Committee, where the Proposal on the Use of Partial Idle Proceed and Own Funds for Cash Management was considered and approved, under which the Company (including its subsidiaries and grandchild companies) was approved to use idle proceeds of up to RMB400 million (including RMB150 million from the proceeds of the initial public offering and RMB250 million from the proceeds from the public issuance of convertible corporate bonds in 2019) and own funds of up to RMB600 million for timely cash management, provided that such use would not affect the construction progress of projects funded by the proceeds or the use of the proceeds, while also ensuring the daily operational funding needs and effectively controlling investment risks. Within this quota, the funds can be rolled over for use, with the term of each financial product not exceeding one year. The independent directors and supervisors of the Company expressed their consent through independent opinions, and the sponsor CITIC Securities Co., Ltd. provided a clear verification opinion on this matter.

At the 31st meeting of the third session of the Board of Directors and the 24th meeting of the third Supervisory Committee held on April 7, 2022, the Proposal on the Temporal Use of Partial Idle Proceeds and Own Funds for Cash Management was considered and approved, under which the Company (including its subsidiaries) was approved to use the idle proceeds raised of not exceeding RMB280 million, including RMB100 million of proceeds from the initial public offering and RMB180 million of proceeds from the public issuance of convertible corporate bonds in 2019, and to use the idle own fund of not exceeding RMB800 million for timely cash management, provided that such use would not affect the progress of the fundraising investment projects and the use of raised funds, as well as the fund demand for daily operations is guaranteed and the investment risks are under effectively control. The term of each financial product shall not exceed one year.

At the 5th meeting of the fourth session of the Board of Directors and the 4th meeting of the fourth Supervisory Committee held on April 25, 2023, the Proposal on the Temporal Use of Partial Idle Proceeds and Own Funds for Cash Management was considered and approved, under which the Company (including its subsidiaries) was approved to use the idle proceeds raised of not exceeding RMB1.1 billion, including RMB180 million of proceeds from the public issuance of convertible corporate bonds in 2019 and RMB920 million of proceeds from the non-public issuance of shares in 2021, and to use the idle own fund of not exceeding RMB2.9 billion for timely cash management, provided that such use would not affect the progress of the fundraising investment projects and the use of raised funds, as well as the fund demand for daily operations is guaranteed and the investment risks are under effectively control. The term of such cash management shall commence from the 2022 annual general meeting and expire at the 2023 annual general meeting. The proposal has been considered and

approved at the Company's 2022 annual general meeting. Independent directors, the supervisory committee and the sponsor have expressed their consent on the relevant matters, respectively.

The 19th meeting of the 4th Session of the Board and the 16th meeting of the 4th Session of the Supervisory Committee were convened by the Company on April 25, 2024, at which the Resolution on the Company's Use of Certain Idle Raised Funds and Self-owned Funds for Cash Management (《關於公司使用部分閒置募集資金及自有資金進行現金管理的議案》) was considered and approved, under which the Company (including its subsidiaries) was approved to use the idle raised fund up to RMB760 million (including RMB40 million of proceeds from the public issuance of convertible corporate bonds in 2019 and RMB720 million of proceeds from the non-public issuance of shares in 2021) and self-owned funds up to RMB2,800 million for timely cash management, provided that such use would not affect the progress of the fundraising investment projects and the use of raised funds, as well as the fund demand for daily operations is guaranteed and the investment risks are under effectively control. The term for single a financial management shall not exceed one year, from 2023 annual general meeting to 2024 annual general meeting. This matter has been approved at 2023 annual general meeting.

2. Proceeds from the non-public offering in 2021

At the 34th meeting of the third session of the Board of Directors and the 26th meeting of the third Supervisory Committee held on June 13, 2022, the Proposal on the Temporal Use of Partial Idle Proceeds for Cash Management was considered and approved, under which the Company (including its subsidiaries) was approved to use the idle proceeds from the non-public issuance of shares in 2021 of not exceeding RMB1.6 billion for cash management.

At the 5th meeting of the fourth session of the Board of Directors and the 4th meeting of the fourth Supervisory Committee held on April 25, 2023, the Proposal on the Temporal Use of Partial Idle Proceeds and Own Funds for Cash Management was considered and approved, under which the Company (including its subsidiaries) was approved to use the idle proceeds raised of not exceeding RMB1.1 billion, including RMB180 million of proceeds from the public issuance of convertible corporate bonds in 2019 and RMB920 million of proceeds from the non-public issuance of shares in 2021, and to use the idle own fund of not exceeding RMB2.9 billion for timely cash management, provided that such use would not affect the progress of the fundraising investment projects and the use of raised funds, as well as the fund demand for daily operations is guaranteed and the investment risks are under effectively control. The term of such cash management shall commence from the 2022 annual general meeting and expire at the 2023 annual general meeting. The proposal has been considered and approved at the Company's 2022 annual general meeting. Independent directors, the Supervisory Committee and the sponsor have expressed their consent on the relevant matters, respectively.

The 19th meeting of the 4th Session of the Board and the 16th meeting of the 4th Session of the Supervisory Committee were convened by the Company on April 25, 2024, at which the Proposal on the Temporal Use of Partial Idle Proceeds and Own Funds for Cash Management) was considered and approved, approving that the Company (including its subsidiaries) may, subject to not affecting the construction process of the fund-raising project and the use of raised fund, guaranteeing that the need of daily operation capital is met and investment risks are effectively controlled, use the idle raised fund up to RMB760 million (including RMB40 million of proceeds from the public issuance of convertible corporate bonds in 2019 and RMB720 million of proceeds from the non-public issuance of shares in 2021) and self-owned funds up to RMB2,800 million for timely cash management. The term for single a financial management shall not exceed one year, within the period from 2023 Annual General Meeting to 2024 Annual General Meeting. This matter has been approved at 2023 Annual General Meeting.

The 34th meeting of the 4th Session of the Board and the 26th meeting of the 4th Session of the Supervisory Committee were convened by the Company on March 28, 2025, at which the Proposal on the Temporal Use of Partial Idle Proceeds and Own Funds for Cash Management) was considered and approved, approving that the Company (including its subsidiaries) may, subject to not affecting the construction process of the fund-raising project and the use of raised fund, guaranteeing that the need of daily operation capital is met and investment risks are effectively controlled, use the idle raised fund up to RMB600 million for timely cash management. The term for single a financial management shall not exceed one year, within 12 months from the date of approval by the Board.

As of June 30, 2025, the Company's unredeemed amount of purchasing wealth management products using idle raised funds from non-public issuance of shares was RMB567,000,000.

(6) Changes in the implementation location of the previous fund-raising projects

1. Proceeds from the public issuance of convertible corporate bonds in 2019

As of June 30, 2025, there was no change in the implementation location of the Company's previous fund-raising projects.

2. Proceeds from the non-public issuance of shares in 2021

As of June 30, 2025, there was no change in the implementation location of the Company's previous fund-raising projects.

(7) Difference between the actual total investment and commitment of the previous fund-raising projects and explanation of the reasons

1. Proceeds from the public issuance of convertible corporate bonds in 2019

See Schedule 1: Comparison Table of Use of Proceeds from the Public Issuance of Convertible Corporate Bonds in 2019 for the difference between the actual total investment and the commitment of the Company's previous fund-raising projects.

2. Proceeds from the non-public issuance of shares in 2021

See Schedule 2: Comparison Table of Use of Proceeds from the Non-public Issuance of Shares in 2021 for the difference between the actual total investment and the commitment of the Company's previous fund-raising projects.

(8) Use of Balance Funds of Previous Fund-raising Projects

The 16th meeting of the 4th Session of the Board and the 13rd meeting of the 4th Session of the Supervisory Committee were convened by the Company on January 29, 2024, at which the Resolution on Closing Certain Fund-raising Investment Projects, Utilizing Surplus Raised Funds for Other Projects, and Extending Deadlines for Certain Projects (《關於部分募集資金投資項目結項並將節餘募集資金用於其他募投項目以及部分募投項目延期的議案》) was considered and approved, approving the closing of “Annual Production of 180,000 Tonnes of Kelansu Project” under the Company's 2019 public issuance of convertible corporate bonds fundraising investment projects and the “Annual 600,000-tonne vehicle urea project” under the Company's 2021 non-public issuance of shares fundraising investment projects, and to allocate the remaining raised funds totalling RMB184,402,000, together with the cumulative wealth management income and interest from the dedicated fundraising accounts for the respective projects (based on the bank settlement balance on the date of fund transfer), to another fundraising investment project, the “Annual Production of 40,000 Tonnes of Battery-Grade Energy Storage Materials Project.” In light of the actual construction progress and investment schedule of the project, the scheduled date for the “Annual Production of 40,000 Tonnes of Battery-Grade Energy Storage Materials Project” to reach its intended usable state will be extended from the original end of 2023 to the end of June 2024. The Board approved to, subject to that the above resolutions are submitted to the general meeting and are considered and approved thereat, authorize the Company's management to transfer the raised fund and relevant interest of original projects and cancel the designated account for proceeds of the original projects. For details, please refer to the Resolution of Jiangsu Lopal Tech. Co., Ltd. on Closing Certain Fundraising Investment Projects, Utilizing Surplus Raised Funds for Other Projects, and Extending Deadlines for Certain Projects (2024-015) (《江蘇龍蟠科技股份有限公司關於部分募集資金投資項目結項並將節餘募集資金用於其他募投項目以及部分募投項目延期的議案》(2024-015)), which is disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) on January 30, 2024. This matter has been considered and approved at the third extraordinary general meeting of the Company in 2024.

The Resolution on Closing Certain Fundraising Investment Projects, Allocating Surplus Raised Funds for Permanent Replenishment of Working Capital (《關於部分募集資金投資項目結項並將節餘募集資金永久補充流動資金的議案》) was considered and approved at the 22nd meeting of the 4th session of the Board and the 18th meeting of the 4th session of the Supervisory Committee convened on June 28, 2024, pursuant to which, the Company may close the “Annual Production of 40,000 Tonnes of Battery-Grade Energy Storage Materials Project” and transfer the surplus raised funds of RMB11,161,600 (including the wealth management income and interest income) and the subsequent difference between interest income and handling fees generated prior to the cancellation of the special account for the proceeds (the actual amount is subject to the balance of the special account for the proceeds on the day the funds are transferred out), to the Company’s own funds account for permanent replenishment of working capital of the Company. Upon the transfer of the aforesaid remaining proceeds, the Company will close the relevant dedicated accounts for proceeds, and the corresponding agreements on the supervision of such dedicated accounts will be terminated accordingly. For details, please refer to the Announcement of Jiangsu Lopal Tech. Co., Ltd. on Closing Certain Fundraising Investment Projects and Allocating Surplus Raised Funds for Permanent Replenishment of Working Capital (2024-076) (《江蘇龍蟠科技股份有限公司關於部分募集資金投資項目結項並將節餘募集資金永久補充流動資金的公告》(2024-076)) disclosed on the website of the Shanghai Stock Exchange (www.sse.com.cn) on June 29, 2024. Such matter was considered and approved at the fourth extraordinary general meeting of the Company of 2024.

(9) The External Transfer or Replacement of the Previous Fundraising Investment Project

1. Proceeds from the public issuance of convertible corporate bonds in 2019

As of June 30, 2025, there was no external transfer or replacement of the previous fundraising investment projects by the Company.

2. Proceeds from the non-public issuance of shares in 2021

As of June 30, 2025, there was no external transfer or replacement of the previous fundraising investment projects by the Company.

(10) Explanation on the Unutilised Proceeds Previously Raised

1. Proceeds from the public issuance of convertible corporate bonds in 2019

As of June 30, 2025, the proceeds from the Company’s public issuance of convertible corporate bonds in 2019 have been fully utilized.

2. *Proceeds from the non-public issuance of shares in 2021*

In 2021, the net proceeds from non-public issuance of shares by the Company was RMB2,175,531,100. As of June 30, 2025, fundraising investment projects have utilized funds in an aggregate amount of RMB1,620,972,600 and the net amount of the wealth management income and interest income received (excluding handling fees) was RMB46,419,600 (including the accumulated wealth management income and interest income of the balances transferred to the “batter-grade energy storage materials project with an annual capacity of 40,000 tons”). The amount transferred out from the closed fundraising account to supplement working capital was RMB11,338,000. The unutilized proceeds was RMB588,640,000 (including the net amount of accumulated interest received on bank deposits net of bank charges and investment income from using the idle proceeds to purchase wealth management products), representing 27.06% of the net proceeds. The unutilised funds from the previously raised proceeds are primarily attributable to the incompleteness of project construction, and the Company will reasonably use the proceeds in accordance with project construction progress.

III. THE ECONOMIC BENEFITS GENERATED FROM THE PREVIOUS FUNDRAISING INVESTMENT PROJECTS**(I) Comparison Table of Benefits Realized by the Previous Fundraising Projects****1. *Proceeds from the public issuance of convertible corporate bonds in 2019***

Please refer to the Schedule 3: Comparison Table of Realised Benefits from the Fundraising Investment Projects of Public Issuance of Convertible Corporate Bonds in 2019 for details of the benefits realized by the previous fundraising investment projects.

2. *Proceeds from the non-public issuance of shares in 2021*

Please refer to the Schedule 4: Comparison Table of Realised Benefits from the Fundraising Investment Projects of Non-public Issuance of Shares in 2021 for details of the benefits realized by the previous fundraising investment projects.

(II) Explanation on Benefits Realized by the Previous Fundraising Investment Projects Which Cannot be Accounted for Separately**1. *Proceeds from the public issuance of convertible corporate bonds in 2019***

The benefits of projects for the replenishment of working capital are primarily reflected in meeting the requirements of daily operating capital turnover, which cannot be accounted for separately.

2. *Proceeds from the non-public issuance of shares in 2021*

The benefits of projects for the replenishment of working capital are primarily reflected in meeting the requirements of daily operating capital turnover, which cannot be accounted for separately.

IV. INFORMATION DISCLOSURE AND COMPARISON OF ACTUAL UTILIZATION OF PROCEEDS PREVIOUSLY RAISED**1. Proceeds from the public issuance of convertible corporate bonds in 2019**

There is no discrepancy between the actual utilization of the proceeds of the Company and other information disclosure documents announced by the Company.

2. Proceeds from the non-public issuance of shares in 2021

There is no discrepancy between the actual utilization of the proceeds of the Company and other information disclosure documents announced by the Company.

V. THE APPROVAL OF THE REPORT

The report was approved by the Board on August 20, 2025.

Schedules:

1. Comparison Table of Use of Proceeds from the Public Issuance of Convertible Corporate Bonds in 2019
2. Comparison Table of Use of Proceeds from the Non-public Issuance of Shares in 2021
3. Comparison Table of Realised Benefits from the Fundraising Investment Projects of Public Issuance of Convertible Corporate Bonds in 2019
4. Comparison Table of Realised Benefits from the Fundraising Investment Projects of Non-public Issuance of Shares in 2021

JIANGSU LOPAL TECH. GROUP CO., LTD.

August 20, 2025

APPENDIX III REPORT ON THE USE OF PROCEEDS PREVIOUSLY RAISED

Schedule 1:

Comparison Table of Use of Proceeds from the Public Issuance of Convertible Corporate Bonds in 2019 As of 30 June 2025

Unit: RMB0,000

Total amount of proceeds:	39,256.10	Accumulated total amount of proceeds used:	39,430.36
Total amount of proceeds that changes its use:	9,977.75	Total amount of proceeds used in each year:	39,430.36
Proportion of total amount of proceeds that changes its use:	25.42%	2020	11,861.81
		2021	8,316.50
		2022	1,699.45
		2023	10,210.08
		2024	7,342.52
		January to June, 2025	—

Investment project		Total amount of proceeds for investment			Cumulative investment amount of proceeds as of the cut-off date			The difference between the actual investment amount and the committed investment amount after the issuance (3)=(2)-(1)	Date on which the project reached the working condition for its intended use (or the completion progress of the project as at the cut-off date)
Committed investment projects	Actual investment projects	Committed investment amount prior to the issuance	Committed investment amount after the issuance (1)	Actual investment amount (2)	Committed investment amount prior to the issuance	Committed investment amount after the issuance	Actual investment amount		
Annual production of 180,000 tonnes of kelansu project	Annual production of 180,000 tonnes of kelansu project	16,500.00	11,055.30	11,092.61	16,500.00	No commitment to installment investment	11,092.61	37.31	Progress of the use of proceeds usage 100.34%
New energy vehicle coolant production base construction project	New energy vehicle coolant production base construction project	13,500.00	3,522.25	3,522.25	13,500.00	No commitment to installment investment	3,522.25	—	Progress of the use of proceeds 100.00%
Liquidity supplement	Liquidity supplement	9,256.10	9,256.10	9,393.05	9,256.10	No commitment to installment investment	9,393.05	136.95	Progress of the use of proceeds 101.48%
Annual production of 40,000 tons of battery-grade energy storage materials project	Annual production of 40,000 tons of battery-grade energy storage materials project	/	15,422.45	15,422.45	/	No commitment to installment investment	15,422.45	—	Progress of the use of proceeds 100.00%
Total		39,256.10	39,256.10	39,430.36	39,256.10		39,430.36	174.26	

Reasons for not meeting the planned progress (by proceeds investment project)	N/A
Description of significant changes in the project feasibility	N/A
Initial investment and replacement of proceeds investment projects	For further details, please refer to “(2) Replacement of Self-raised Funds Pre-invested in Funds Raised Investment Project with Previously Funds Raised under section II. ACTUAL UTILIZATION OF PREVIOUSLY FUNDS RAISED” in this report
Temporary Use of Idle Raised Funds to Temporarily Replenish Working Capital	For further details, please refer to “(4) Temporary Use of Idle Raised Funds to Temporarily Replenish Working Capital under section II. ACTUAL UTILIZATION OF PREVIOUSLY FUNDS RAISED” in this report
Cash management of idle proceeds and investment in related products	For further details, please refer to “(5) Cash management of idle proceeds and investment in related products under section II. ACTUAL UTILIZATION OF PREVIOUSLY FUNDS RAISED” in this report
Permanently supplement liquidity or repay bank loans with over-raised proceeds	N/A
Use of balance funds of previous fund-raising projects	For further details, please refer to “(8) Use of balance funds of previous fund-raising projects under section II. ACTUAL UTILIZATION OF PREVIOUSLY FUNDS RAISED” in this report
Other status of use of the proceeds	N/A

Schedule 2:

Comparison Table of Use of Proceeds from
the Non-public Issuance of Shares in 2021
As of 30 June 2025

Unit: RMB0'000

Total amount of proceeds:	217,553.11	Accumulated total amount of	162,097.26
		proceeds used:	
Total amount of proceeds that changes its use:		Total amount of proceeds used in each year:	162,097.26
Proportion of total amount of proceeds that changes its use:		2022	125,619.81
		2023	16,238.83
		2024	17,079.10
		January to June, 2025	3,159.52

Investment project		Total amount of proceeds for investment			Cumulative investment amount of proceeds as of the cut-off date			The difference between the actual investment amount and the committed investment amount after the issuance (3) = (2) - (1)	Date on which the project reached the working condition for its intended use (or the completion progress of the project as at the cut-off date)
Committed investment projects	Actual investment projects	Committed investment amount prior to the issuance	Committed investment amount after the issuance (1)	Actual investment amount (2)	Committed investment amount prior to the issuance	Committed investment amount after the issuance	Actual investment amount		
Large-scale production project of NEV power and energy storage cathode material	Large-scale production project of NEV power and energy storage cathode material	129,000.00	129,000.00	71,822.20	129,000.00	129,000.00	71,822.20	-57,177.80	Progress of the use of proceeds usage 55.68%
Annual 600,000-tonne vehicle urea project	Annual 600,000-tonne vehicle urea project	38,553.11	25,557.79	25,619.79	38,553.11	25,557.79	25,619.79	62.00	Progress of the use of proceeds 100.24%
Liquidity supplement	Liquidity supplement	50,000.00	50,000.00	50,451.13	50,000.00	50,000.00	50,451.13	451.13	Progress of the use of proceeds 100.90%
Annual production of 40,000 tons of battery-grade energy storage materials project	Annual production of 40,000 tons of battery-grade energy storage materials project	—	12,995.32	14,204.14	—	12,995.32	14,204.14	1,208.82	Progress of the use of proceeds 109.30%
Total		217,553.11	217,553.11	162,097.26	217,553.11	217,553.11	162,097.26	-55,455.85	

Reasons for not meeting the planned progress (by proceeds investment project)	N/A
Description of significant changes in the project feasibility	N/A
Initial investment and replacement of proceeds investment projects	For further details, please refer to “(2) Replacement of Self-raised Funds Pre-invested in Funds Raised Investment Project with Previously Funds Raised under section II. ACTUAL UTILIZATION OF PREVIOUSLY FUNDS RAISED” in this report
Temporary Use of Idle Raised Funds to Temporarily Replenish Working Capital	For further details, please refer to “(4) Temporary Use of Idle Raised Funds to Temporarily Replenish Working Capital under section II. ACTUAL UTILIZATION OF PREVIOUSLY FUNDS RAISED” in this report
Cash management of idle proceeds and investment in related products	For further details, please refer to “(5) Cash management of idle proceeds and investment in related products under section II. ACTUAL UTILIZATION OF PREVIOUSLY FUNDS RAISED” in this report
Permanently supplement liquidity or repay bank loans with over-raised proceeds	N/A
Use of balance funds of previous fund-raising projects	For further details, please refer to “(8) Use of balance funds of previous fund-raising projects under section II. ACTUAL UTILIZATION OF PREVIOUSLY FUNDS RAISED” in this report,
Other status of use of the proceeds	N/A

Schedule 3:

Comparison Table of Realised Benefits from the Fundraising Investment Projects of
Public Issuance of Convertible Corporate Bonds in 2019
As of 30 June 2025

Unit: RMB0'000

Actual investment projects		Accumulated capacity utilization rate of investment projects as of cut-off date	Committed benefits	Actual benefits over the last three years and one period				Accumulated realized benefits as of cut-off date	Whether or not the estimated benefits are achieved
Number	Name of project			2022	2023	2024	January to June, 2025		
1	Annual production of 180,000 tonnes of kelansu project	N/A	N/A	N/A	N/A	594.98	238.53	833.51	N/A
2	New energy vehicle coolant production base construction project	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Liquidity supplement	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Annual production of 40,000 tons of battery-grade energy storage materials project	N/A	N/A	N/A	N/A	6,006.83	4,206.84	10,213.67	N/A

Schedule 4:

Comparison Table of Realised Benefits from the Fundraising Investment Projects of
Non-public Issuance of Shares in 2021
As of 30 June 2025

Unit: RMB0'000

Actual investment projects		Accumulated capacity utilization rate of investment projects as of cut-off date	Committed benefits	Actual benefits over the last three years and one period				Accumulated realized benefits as of cut-off date	Whether or not the estimated benefits are achieved
Number	Name of project			2022	2023	2024	January to June, 2025		
1	Large-scale production project of NEV power and energy storage cathode material	N/A	N/A	N/A	N/A	4,085.11	-1,464.04	2,621.07	N/A
2	Annual 600,000-tonne vehicle urea project	N/A	N/A	N/A	N/A	4,810.28	1,496.05	6,306.33	N/A
3	Liquidity supplement	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Batter-grade energy storage materials project with an annual capacity of 40,000 tons	N/A	N/A	N/A	N/A	6,006.83	4,206.84	10,213.67	N/A

In accordance with the relevant provisions of documents such as the Opinions of the State Council on Further Promoting the Healthy Development of the Capital Market (Guo Fa [2014] No. 17), the Opinions of the General Office of the State Council on Further Strengthening the Protection of the Legitimate Rights and Interests of Small and Medium Investors in the Capital Market (Guo Ban Fa [2013] No. 110) and the Guiding Opinions on Matters Concerning the Dilution of Immediate Returns in Initial Public Offerings, Refinance and Major Asset Restructurings (CSRC Announcement [2015] No. 31), Jiangsu Lopal Tech. Group Co., Ltd. (hereinafter referred to as the “**Company**”) has carefully analyzed the impact of the dilution of immediate returns arising from the issuance of A Shares to specific targets (hereinafter referred to as the “**Issuance**”), and put forward specific measures to make up for the diluted returns. Relevant parties have made commitments to ensure the effective implementation of the Company’s measures to make up for the diluted returns. The details are as follows:

**I. IMPACT OF THE DILUTION OF IMMEDIATE RETURNS FROM THE
ISSUANCE OF SHARES TO SPECIFIC TARGET ON KEY FINANCIAL
INDICATORS OF THE COMPANY**

(I) Key Assumptions and Conditions Precedent

The following assumptions are solely used for schematic estimation of the impact of the dilution of immediate returns by the Issuance on key financial indicators of the Company, and do not represent the judgment on Company’s operating conditions and trends in the future, nor does it constitute a profit forecast of the Company. Investors shall not make investment decisions in reliance thereon. The Company will not be held liable for any loss howsoever arising from investors’ investment decisions based on such information.

1. It is assumed that no material change occurs in, among other things, macroeconomic environment, industrial policies, industrial development and product market.
2. It is assumed that the number of shares to be issued to specific target under the Issuance represents 30% of the Company’s total share capital prior to the Issuance, i.e. 205,523,670 shares (the final number of shares to be issued shall be subject to the actual number of shares to be issued after the Issuance is reviewed by the Shanghai Stock Exchange and the approval of the CSRC on the consent for registration is obtained).

3. It is assumed that the Issuance will be completed at the end of November 2025 (the completion time, which will be used only for the purpose of calculating the impact of dilution of immediate returns from the Issuance of Shares on key financial indicators of the Company and will not constitute the undertaking on the actual completion time, and shall be subject to the time when the Issuance is actually completed after the review and approval by the Shanghai Stock Exchange and the consent for registration from the CSRC).
4. The Company recorded a net profit attributable to shareholders of the listed company for 2024 of -RMB635.6681 million, and realized a net profit attributable to shareholders of the listed company (net of non-recurring gains or losses) of -RMB687.9353 million. It is assumed that the net profit attributable to shareholders of the listed company and the net profit attributable to shareholders of the listed company (net of non-recurring gains or losses) in 2025 is estimated in three scenarios, i.e., a flat loss, a decrease of 50%, and a decrease of 80% in loss as compared with those for 2024, respectively. The assumption is only for the calculation on the impact of the dilution of immediate returns by the issuance of Shares to specific target on key financial indicators, and do not represent the judgment on Company's operating conditions and trends in the future, nor does it constitute a profit forecast of the Company.
5. It is assumed that when predicting the Company's total share capital, on the basis that the total share capital prior to the Issuance is 685,078,903 shares, only the impacts of the Issuance of Shares to Specific Target Subscribers will be taken into consideration, regardless of impact of other factors on share capital of the Company.
6. The impact on the Company's operation and financial status (such as financial expenses and investment income) after the proceeds from the Issuance are received is not considered for the estimation.

(II) Estimated impacts on the key financial indicators of the Company

Based on the above assumptions, the impact of the issuance of Shares to specific target to diluted immediate returns on the Company's key financial indicators is as follows:

Items	End of 2024/Year 2024	End of 2025/Year 2025	
		Before the Issuance	After the Issuance
Total share capital ('0,000 Shares)	68,507.89	68,507.89	70,632.37

Items	End of 2024/Year 2024	End of 2025/Year 2025 Before the Issuance	After the Issuance
Assumption 1: In 2025, the net profit attributable to shareholders of the parent company before and after deducting non-recurring items will remain flat compared to 2024			
Net profit attributable to shareholders of the parent company (RMB10,000)	-63,566.81	-63,566.81	-63,566.81
Net profit attributable to shareholders of the parent company after deducting non-recurring gains and losses (RMB10,000)	-68,793.53	-68,793.53	-68,793.53
Basic earnings per share (RMB/share)	-1.10	-0.94	-0.92
Diluted earnings per share (RMB/share)	-1.09	-0.94	-0.92
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.19	-1.02	-1.00
Diluted earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.18	-1.02	-0.99

Assumption 2: In 2025, the net profit attributable to shareholders of the parent company before and after deducting non-recurring items will decrease losses by 50% compared to 2024

Net profit attributable to shareholders of the parent company (RMB10,000)	-63,566.81	-31,783.41	-31,783.41
Net profit attributable to shareholders of the parent company after deducting non-recurring gains and losses (RMB10,000)	-68,793.53	-34,396.76	-34,396.76
Basic earnings per share (RMB/share)	-1.10	-0.47	-0.46
Diluted earnings per share (RMB/share)	-1.09	-0.47	-0.46
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.19	-0.51	-0.50

Items	End of 2024/Year 2024	End of 2025/Year 2025	
		Before the Issuance	After the Issuance
Diluted earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.18	-0.51	-0.50
Assumption 3: In 2025, the net profit attributable to shareholders of the parent company before and after deducting non-recurring items will decrease losses by 80% compared to 2024			
Net profit attributable to shareholders of the parent company (RMB10,000)	-63,566.81	-12,713.36	-12,713.36
Net profit attributable to shareholders of the parent company after deducting non-recurring gains and losses (RMB10,000)	-68,793.53	-13,758.71	-13,758.71
Basic earnings per share (RMB/share)	-1.10	-0.19	-0.18
Diluted earnings per share (RMB/ share)	-1.09	-0.19	-0.18
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.19	-0.20	-0.20
Diluted earnings per share after deducting non-recurring gains and losses (RMB/share)	-1.18	-0.20	-0.20

Note: Relevant indicators are calculated in accordance with the requirements in the Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 9 — Calculation and Disclosure of Net Return on Assets and Earnings Per Share.

II. SPECIAL RISK WARNING IN RELATION TO DILUTION OF IMMEDIATE RETURNS OF THE ISSUANCE

After completion of the Issuance to specific target, the Company's total share capital and net asset base will increase with the proceeds raised. The deployment and implementation of such proceeds will, however, require a certain period of time. As the benefits of the projects to be funded by the proceeds are expected to be realised mainly in the medium to long term, there will be a time lag between the utilisation of the proceeds and the generation of returns. If the Company continues to record a loss in 2025, the issuance is expected to have a positive impact on the Company's earnings per share; whereas if the Company turns profitable in 2025, there may be a risk of dilution in earnings per share. In addition, should there be material changes in the assumptions underlying the above analysis or in the Company's operating conditions, it cannot be ruled out that the impact of the issuance on immediate return to shareholders may differ.

The investors are reminded especially to make rational investments, and be alert of the risk that the Issuance of Shares to specific target may dilute the immediate return.

III. NECESSITY AND RATIONALITY FOR THE BOARD TO CHOOSE THE FINANCING

The fundraising investment project is beneficial to the Company in optimising the business structure, improving the industry position and enhancing its core competitiveness and profitability. The fundraising investment project is in line with the relevant national industrial policies, as well as the development trend and future development strategy of the industry in which the Company operates, and have good market prospects and economic benefits, and is in line with the interests of the Company and all Shareholders of the Company. For details, please refer to "Section 2 Feasibility Analysis by the Board on the Use of the Proceeds" in "Resolution on Proposed Issuance of A Shares to Specific Target in 2025 by Jiangsu Lopal Tech. Group Co., Ltd.".

IV. RELATIONSHIP BETWEEN THE FUNDRAISING INVESTMENT PROJECT AND THE COMPANY'S EXISTING BUSINESS, AND THE COMPANY'S RESERVES IN TERMS OF PERSONNEL, TECHNOLOGY AND MARKET

(I) Relationship between the fundraising investment project and the Company's existing business

The Company specialises in the core materials of green new energy and pursues a dual-track industrial layout encompassing both new energy and traditional businesses. Its principal products include automotive specialty chemicals and phosphate-based cathode materials. The proceeds from the Issuance are intended to be applied to the 110,000-tonne high-performance phosphate-based cathode materials project, the 85,000-tonne high-performance phosphate-based cathode materials project, and as supplementary working capital. These projects are closely aligned with the Company's principal business, comply with national industrial policies, follow industry

development trends and the Company's overall development strategy, and are expected to generate favourable economic and social benefits, which will be in the interests of the Company and whole shareholders.

(II) Reserves in terms of personnel, technology and market for the fundraising investment project

The fundraising investment projects of the Issuance have undergone thorough feasibility studies. The Company has made adequate preparations in terms of personnel, technology and market, and possesses the overall execution capability for the projects. For further details, please refer to "Section 2 Feasibility Analysis by the Board on the Use of the Proceeds" in "Resolution on Proposed Issuance of A Shares to Specific Target in 2025 by Jiangsu Lopal Tech. Group Co., Ltd."

V. MEASURES TO MITIGATE THE DILUTION OF IMMEDIATE RETURN FROM THE ISSUANCE

To safeguard the interests of investors, reduce the risk of dilution of immediate return and enhance returns to shareholders, the Company proposes to adopt multiple measures to compensate immediate return. The Company hereby reminds investors that the adoption of the following measures does not constitute a guarantee of the Company's future profitability.

(I) Strengthening the Management of Proceeds to Ensure Proper and Effective Use

Pursuant to the requirements of the Company Law, the Securities Law and other applicable laws and regulations, and having regard to the Company's actual circumstances, the Company has established a management system for the proceeds, which sets out clear requirements on the designated account deposit, use, change of use, administration and supervision of the proceeds. Upon the proceeds from the issuance of Shares to specific target being received, the Board will continue to monitor their dedicated deposit, ensure their use in the designated projects, conduct periodic internal audits, and cooperate with the regulatory bank and the sponsor in their inspection and supervision of the use of proceeds, in order to ensure their proper and regulated application.

(II) Enhancing Operational Management to Improve Operating Efficiency

Upon the proceeds from the Issuance being received, the Company will continue to improve its internal operational management, optimise business processes and internal control systems, reduce operating costs and enhance asset utilisation efficiency. In addition, the Company will continue to advance the development of its talent system, optimise its incentive mechanisms and motivate all employees to improve their productivity and creativity. These measures are intended to enhance the Company's operating efficiency, reduce costs and improve the Company's operating benefits.

(III) Further Improve Profit Distribution Policies and Optimize Investor Return Mechanisms

The Company plans to further improve its profit distribution system and strengthen investor return mechanisms in accordance with the relevant provisions of the Guidelines for the Supervision of Listed Companies No. 3 — Cash Dividends of Listed Companies issued by the CSRC, to ensure that the interests of the Company's shareholders, especially minority shareholders, are protected. The Company places great importance on providing reasonable returns to investors and maintains the stability and continuity of its profit distribution policy. Following the issuance of shares to specific targets, the Company will strictly enforce the relevant systems and shareholder dividend return plans for cash dividends in accordance with applicable regulations to safeguard the interests of investors.

VI. COMMITMENTS REGARDING THE REALISTIC IMPLEMENTATION OF RECOVERY MEASURES FOR THE IMMEDIATE RETURNS

To safeguard the right to information of small and medium-sized investors and protect their interests, the relevant parties have made commitments to ensure that the recovery measures for the immediate returns resulting from the issuance of shares to specific targets by the Company are effectively implemented. The specific commitments are as follows:

(I) Undertakings by directors and senior management of the Company regarding the measures to mitigate the dilution of immediate return

1. to undertake not to transfer benefits to other entities or individuals without consideration or on unfair terms, and not to harm the interests of the Company by other means;
2. to undertake to restrict personal consumption relating to their positions;
3. to undertake not to use the Company's assets for investments or consumption activities unrelated to the performance of their duties;
4. to undertake to actively facilitate the linkage between the remuneration system formulated by the Board or the Remuneration and Evaluation Committee and the implementation of the measures to mitigate the dilution of immediate return;
5. to undertake, in the event that the Company formulates or amends its equity incentive plan in the future, I will actively facilitate the linkage between the exercise conditions of such future equity incentive plan and the implementation of the measures to mitigate the dilution of immediate return;

6. From the date of issuance of this undertaking until the completion of the Issuance, if the CSRC, the Shanghai Stock Exchange or other regulatory authorities issue new regulatory requirements on the measures to mitigate the dilution of immediate return and such provisions which are not met by the above undertakings, to issue a supplementary undertaking in accordance with the latest requirements of the relevant regulatory authorities;
7. I hereby undertake to earnestly implement the relevant return remedial measures formulated by the Company and to perform my undertakings made in respect of such. If I violate the above undertakings and cause losses to the Company or investors, I willingly undertake to assume compensation liabilities to the Company or investors in accordance with the law.

In the event that the above undertakings are breached or not to be implemented, I hereby give my consent that relevant penalties or administrative measures shall be taken against me in accordance with the relevant provisions and rules issued by securities regulatory authorities such as the CSRC and the Shanghai Stock Exchange.

(II) The undertaking given by controlling shareholder and de facto controller of the Company in relation to the Company's return remedial measures

1. Not to exceed its authority to intervene in the operation and management activities of the listed company and will not infringe the interests of the listed company;
2. Earnestly implement the relevant immediate return remedial measures formulated by the listed company and to perform this undertaking. If they violate this undertaking or refuse to perform it and cause losses to the listed company or shareholders, they agree to assume corresponding legal liabilities in accordance with laws, regulations and the relevant provisions of securities regulatory authorities;
3. From the date of issuance of this undertaking until the completion of the Issuance, if the CSRC, the Shanghai Stock Exchange or other regulatory authorities issue new regulatory requirements on the measures to mitigate the dilution of immediate return and such provisions which are not met by the above undertakings, I undertake to issue a supplementary undertaking in accordance with the latest requirements of the relevant regulatory authorities.

**VII. PROCEDURES FOR CONSIDERATION OF THE REMEDIAL MEASURES AND
UNDERTAKINGS FOR THE DILUTION OF IMMEDIATE RETURNS ARISING
FROM THE ISSUANCE**

The analysis on dilution of immediate returns arising from the Issuance, the remedial measures for immediate returns, and the undertakings made by relevant parties have been considered and approved at the 41st meeting of the fourth session of the Board of the Company and are subject to consideration at the general meeting of the Company.

The Company will disclose the completion of remedial measures for immediate returns and the fulfillment of the undertakings made by relevant parties in periodic reports.



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)

NOTICE OF 2025 FIFTH EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2025 fifth extraordinary general meeting (the “EGM”) of Jiangsu Lopal Tech. Group Co., Ltd. (“**Company**”, together with its subsidiaries, the “**Group**”) will be held at 2nd Floor, Large Conference Room, No. 6 Hengtong Avenue, Nanjing Economic and Technological Development Zone, Nanjing, Jiangsu Province, PRC on Wednesday, September 17, 2025 at 2:00 p.m. for the purpose of considering, and it thought fit, approving the following special resolutions. Unless otherwise stated, the capitalized terms used herein shall have the same meanings as defined in the circular of the Company dated August 29, 2025 (the “**Circular**”), of which the notice convening the EGM shall form part.

SPECIAL RESOLUTIONS

To consider and, if thought fit, pass, with or without modifications, the following resolutions as special resolutions:

1. To consider and approve the resolution in relation to the satisfaction of the Company of the requirements for the Proposed Issuance of A Shares to specific target.
2. To consider and approve the resolution in relation to the proposal on the Proposed Issuance of A Shares to specific target, individually:
 - 2.01 Type and par value of the Shares to be issued
 - 2.02 Issue method and time
 - 2.03 Target subscribers and subscription method
 - 2.04 Pricing determination date, issue price and pricing methods
 - 2.05 Number of Shares to be issued
 - 2.06 Arrangement for lock-up period
 - 2.07 Amount and use of proceeds

NOTICE OF 2025 FIFTH EXTRAORDINARY GENERAL MEETING

2.08 Listing venue

2.09 Arrangement of accumulated undistributed profits

2.10 Validity period of the resolution of the Proposed Issuance of A Shares

3. To consider and approve the resolution in relation to the preliminary proposal of the Proposed Issuance of A Shares to specific target.
4. To consider and approve the Feasibility Analysis Report on the Use of Proceeds from the Proposed Issuance of A Shares to Specific Target.
5. To consider and approve the Demonstration and Analysis Report for the Proposed Issuance of A Shares to Specific Target.
6. To consider and approve the Report on the Use of Proceeds Previously Raised.
7. To consider and approve the Dilution of Immediate Returns from the Proposed Issuance of A Shares to Specific Target, Mitigation Measures, and Commitments by Relevant Parties.
8. To consider and approve the resolution on requesting the general meeting to authorize the Board to deal with matters related to the Proposed Issuance of A Shares to specific target.

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

Nanjing, PRC
August 29, 2025

Notes:

- (1) In order to determine the list of Shareholders who will be entitled to attend and vote at the EGM, the registers of members of the Company will be closed from September 12, 2025 to September 17, 2025 (both days inclusive), during which no transfer of H shares in the share capital of the Company with a nominal value of RMB1.00 each, which are traded in Hong Kong dollar and listed on the Hong Kong Stock Exchange (the “**H Shares**”), will be effected. Holders of H Shares whose names appear on the registers of members of the Company on September 12, 2025 shall be entitled to attend and vote at the EGM. In order for the holders of H Shares to qualify to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on September 11, 2025 for registration.
- (2) Each holder of H Shares may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the EGM (or any adjournment thereof) on his behalf. A proxy need not be a Shareholder.

NOTICE OF 2025 FIFTH EXTRAORDINARY GENERAL MEETING

- (3) Holders of H Shares must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant shareholder of the Company or by a person duly authorized by the relevant shareholder of the Company in writing (a “**power of attorney**”). If the form of proxy is signed by the person authorized by the relevant shareholder of the Company as aforesaid, the relevant power of attorney and other relevant documents of authorization (if any) must be notarized. If a corporate shareholder of the Company appoints a person other than its legal representative to attend the EGM (or any adjournment thereof) on its behalf, the relevant form of proxy must be affixed with the company seal of the corporate shareholder of the Company or duly signed by the chairman of the board of directors or any other person duly authorized by that corporate shareholder of the Company as required by the articles of association of the Company.
- (4) To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in note (3) above must be delivered to the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited (address: 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong), not less than 24 hours before the time appointed for the EGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the EGM if he/she so wishes.
- (5) Shareholders may contact the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited by telephone at (852) 2862 8555 in connection with the EGM.
- (6) A Shareholder or his proxy should produce proof of identity when attending the EGM (or any adjournment thereof). If a corporate shareholder’s legal representative or any other person duly authorized by such corporate shareholder attends the EGM (or any adjournment thereof), such legal representative or other person shall produce his proof of identity, proof of designation as legal representative and/or the valid authorization document (as the case may be).
- (7) The EGM (or any adjournment thereof) is expected to last for one day. Shareholders who attend the EGM (or any adjournment thereof) shall bear their own travelling and accommodation expenses.

As at the date of this notice, 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 Mr. LI Qingwen, Mr. YE Xin, Ms. GENG Chengxuan and Mr. HONG Kam Le as independent non-executive Directors.