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)

ANNOUNCEMENT
CONTINUING CONNECTED TRANSACTIONS

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The Group carried on transactions with CATL CP Group pursuant to the Previous CATL Purchase Framework Agreement, which constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules. The Previous CATL Purchase Framework Agreement expired on December 31, 2025 and it is expected that the Group will enter into transactions of a nature similar to the transactions under the Previous CATL Purchase Framework Agreement from time to time thereafter. In view of the above, on January 15, 2026, the Company entered into the New CATL Purchase Framework Agreement with CATL.

IMPLICATIONS UNDER THE LISTING RULES

As CATL directly wholly owns Yichun Times and Yichun Times is the substantial shareholder of Lopal Times (a non-wholly owned subsidiary of the Company), CATL CP Group (comprising CATL, its subsidiaries and 30%-controlled companies (excluding Lopal Times)) are connected persons of the Company at the subsidiary level. Accordingly, the New CATL Purchase Framework Agreement and the transactions contemplated thereunder constitute continuing connected transaction of the Company pursuant to Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.101 of the Listing Rules, since (i) CATL is a connected person of the Company at the subsidiary level; (ii) the transactions contemplated under the New CATL Purchase Framework Agreement are entered into on normal commercial terms; and (iii) the Board (including independent non-executive Directors) have approved the New CATL Purchase Framework Agreement and the transactions contemplated thereunder, and confirmed that such transactions are entered into on normal commercial terms, are fair and reasonable and are in the interest of the Company and Shareholders as a whole, the transactions contemplated under the New CATL Purchase Framework Agreement are subject to the reporting, annual review and announcement requirements but are exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated January 17, 2025 in relation to, among other things, the Previous CATL Purchase Framework Agreement.

The Group carried on transactions with CATL CP Group pursuant to the Previous CATL Purchase Framework Agreement, which constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules. The Previous CATL Purchase Framework Agreement expired on December 31, 2025 and it is expected that the Group will enter into transactions of a nature similar to the transactions under the Previous CATL Purchase Framework Agreement from time to time thereafter. In view of the above, on January 15, 2026, the Company entered into the New CATL Purchase Framework Agreement with CATL.

New CATL Purchase Framework Agreement

The principal terms of the New CATL Purchase Framework Agreement are set out below:

Date:	January 15, 2026
Parties:	(i) the Company; and
	(ii) CATL
Term:	January 1, 2026 to December 31, 2026 (both dates inclusive)

Subject matter:	CATL CP Group may purchase the Lopal Products manufactured and/or processed by the Group in accordance with the specifications provided by CATL CP Group (including the products processed by the Group using raw materials provided by CATL CP Group). All sale transactions from the Group to CATL CP Group of Lopal Products including but without limitation LFP cathode materials will be covered under the same agreement, i.e. the New CATL Purchase Framework Agreement.
Pricing policy:	The price shall be determined on normal commercial terms and on an arm's length basis. The Group shall take into account (i) the price of the relevant materials posted on the SMM, the PRC government or other industry recognized organizations and (ii) the production cost of the Lopal Products (whereby raw materials are supplied to the Group for processing, the processing cost of the Lopal Products). The Group will provide to its customers material price lists (which may be adjusted and updated by the Group from time to time) and may from time to time offer discounts on the Lopal Products as part of their promotional efforts.
Conditions precedent and performance obligations:	Unless waiver(s) pursuant to the Listing Rules, the New CATL Purchase Framework Agreement and the performance of the New CATL Purchase Framework Agreement shall be conditional upon the Company's fulfilment of the reporting, annual review, announcement, circular and independent Shareholders' approval obligations, and compliance with other requirements relating to connected transactions under the Listing Rules. If the waiver(s) imposes any conditions or if there are any amendments to the relevant provisions of the Listing Rules, the performance of the New CATL Purchase Framework Agreement shall adhere to such conditions and rule amendments. If the Hong Kong Stock Exchange has any regulatory comments on the New CATL Purchase Framework Agreement or there are any amendments to the relevant provisions of the Listing Rules, the performance of the New CATL Purchase Framework Agreement shall adhere to such regulatory comments and rule amendments.

If according to the requirements of the Listing Rules or other applicable laws and regulations, any party shall obtain the approval from any relevant authority of the New CATL Purchase Framework Agreement, the performance of the New CATL Purchase Framework Agreement shall be conditional upon the obtaining of such approval.

Reasons for and benefits of the transactions:

The entering into of the New CATL Purchase Framework Agreement will enable the Group to supply Lopal Products in the PRC, which distinguishes from the Procurement Cooperation Agreement entered into by the Group with CATL on September 15, 2025, pursuant to which the LBM AP Group may provide LFP cathode material overseas to CATL from the second quarter of 2026 to December 31, 2031 with an annual cap of RMB2,200 million per year during the years ending December 31, 2026 to 2031. Furthermore, The entering into of the New CATL Purchase Framework Agreement by the Group with CATL will enable the Group to leverage on CATL's sales network and sizable base of customers. The transactions contemplated under the New CATL Purchase Framework Agreement are beneficial for the growth of the Group's business, as sales to CATL CP Group will allow the Group to utilize their sizable base of customers and help increase the coverage and demand of the Group's LFP cathode material products in the market. Given the established relationship between the Group and CATL Group, the Directors are of the view that it is mutually beneficial and economical for the Group to sell the Group's LFP cathode material products to CATL CP Group, and it is in the interests of the Group and Shareholders to enter into the New CATL Purchase Framework Agreement.

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the New CATL Purchase Framework Agreement and the transactions contemplated thereunder (including the annual cap) are fair and reasonable, and that the transactions under the New CATL Purchase Framework Agreement are on normal commercial terms or better, in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

Historical transaction amounts:

For each of the years ended December 31, 2022, 2023 and 2024 and the eleven months ended November 30, 2025, the aggregate amount of purchase price of the Lopal Products payable by CATL CP Group to the Group was approximately RMB7,799.0 million, RMB3,501.4 million, RMB3,111.06 million and RMB2,592.9 million, respectively.

Proposed annual cap:

The total purchase price for Lopal Products payable by CATL CP Group to the Group under the New CATL Purchase Framework Agreement for the year ending December 31, 2026 is RMB7,000.00 million. The transaction amounts incurred in connection with the same transactions under New CATL Purchase Framework Agreement from January 1, 2026 up to and including the date of this announcement are within the fully exempt de minimis threshold for connected transactions and fully exempt from the announcement and shareholders' approval requirements under Chapter 14A of the Listing Rules.

Basis of annual cap:

The proposed annual cap above is determined after taking into account the following factors: (i) the expected expansion of the Group's production capabilities in particular the production capabilities in LFP cathode; (ii) the estimated purchase orders of Lopal Products from CATL CP Group for the year ending December 31, 2026 taking into account the estimated purchase quantity of the Lopal Products that has been or will be purchased by CATL CP Group as produced by the Group using the lithium-mica concentrate acquired by the Group from CATL CP Group and (iii) the historical transaction amount paid by CATL CP Group to the Group.

INFORMATION OF THE PARTIES

The Company is a joint stock company established in the PRC, 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 Hong Kong Stock Exchange with the stock code of 2465. The Group is principally engaged in the production and sales of LFP cathode materials and automotive specialty chemicals.

CATL is a joint stock company established in the PRC, the A shares of which are listed on the Shenzhen Stock Exchange (stock code: 300750) and the H shares of which are listed on the Hong Kong Stock Exchange (stock code: 3750). CATL is a leading electrical machinery and equipment manufacturer in mainland China, located in Ningde, Fujian Province, and is primarily engaged in the research and development, manufacturing and sale of lithium-ion batteries, lithium polymer batteries, fuel cell, power batteries, extra large capacity ESS batteries and other equipment and instrument, and other related businesses.

INTERNAL CONTROL PROCEDURES OF THE GROUP

In addition to the annual review by the auditor and independent non-executive Directors pursuant to the requirements of Chapter 14A of the Listing Rules, as part of the Group's internal controls systems to ensure that the transactions between the Group and its connected persons are conducted in accordance with the pricing policy under the New CATL Purchase Framework Agreement, the Company will implement the following internal control measures:

(a) Before the Group enter into transactions under the New CATL Purchase Framework Agreement, the business department of the Group will obtain relevant prices on SMM or other industry recognized organizations and compare with the price offered to the Group, and ensure that the terms of the transactions are on normal commercial terms, and are fair and reasonable.

(b) The finance department of the Company will cross check the pricing of transactions under the New CATL Purchase Framework Agreement to ensure that the continuing connected transactions under the New CATL Purchase Framework Agreement are conducted in accordance with the pricing terms thereof, including reviewing the transaction records of the Company for the purchase or provision of similar goods or services from or to Independent Third Parties, as the case may be.

(c) The legal and risk management department of the Company will regularly convene relevant functional departments to hold meetings to discuss issues in the transactions under the New CATL Purchase Framework Agreement and recommendations for improvement.

(d) The finance department of the Company will summarize the transaction amounts incurred under the New CATL Purchase Framework Agreement regularly on a monthly basis and submit reports to the management of the Company. The management and the relevant departments of the Company can be informed of the status of the continuing connected transactions in a timely manner such that the transactions can be conducted within the annual caps.

(e) The business department of the Company will inform the securities department of the Company before introducing any material change in business arrangement with CATL CP Group in respect of transactions contemplated under the New CATL Purchase Framework Agreement so as to enable the Company to take necessary actions and comply with applicable requirements under the Listing Rules before implementation of such change.

The Directors are of the view that the above methods and procedures can ensure that the pricing and other contract terms for the Group's continuing connected transaction are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders and that the continuing connected transaction is conducted as agreed in the New CATL Purchase Framework Agreement and in compliance with Chapter 14A of the Listing Rules.

IMPLICATIONS UNDER THE LISTING RULES

As CATL directly wholly owns Yichun Times and Yichun Times is the substantial shareholder of Lopal Times (a non-wholly owned subsidiary of the Company), CATL CP Group (comprising CATL, its subsidiaries and 30%-controlled companies (excluding Lopal Times)) are connected persons of the Company at the subsidiary level. Accordingly, the New CATL Purchase Framework Agreement and the transactions contemplated thereunder constitute continuing connected transaction of the Company pursuant to Chapter 14A of the Listing Rules.

As the Procurement Cooperation Agreement and the New CATL Purchase Framework Agreement were both relate to the purchase transactions by CATL Group and the Group, the annual caps in relation to the Procurement Cooperation Agreement and the New CATL Purchase Framework Agreement shall be aggregated for the purpose of Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.101 of the Listing Rules, since (i) CATL is a connected person of the Company at the subsidiary level; (ii) the transactions contemplated under the New CATL Purchase Framework Agreement are entered into on normal commercial terms; and (iii) the Board (including independent non-executive Directors) have approved the New CATL Purchase Framework Agreement and the transactions contemplated thereunder, and confirmed that such transactions are entered into on normal commercial terms, are fair and reasonable and are in the interest of the Company and Shareholders as a whole, the New CATL Purchase Framework Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements but are exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

None of the Directors has any material interest in the New CATL Purchase Framework Agreement and the transactions contemplated thereunder, and hence no Director was required to abstain from voting on the relevant board resolutions approving the New CATL Purchase Framework Agreement and the transactions contemplated thereunder.

DEFINITIONS

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

"A Share(s)"	ordinary share(s) issued by our 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
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"CATL"	Contemporary Amperex Technology Co., Limited (寧德時代新能源科技股份有限公司), a joint stock company established in the PRC on December 16, 2011, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 300750) and the H shares of which are listed on the Hong Kong Stock Exchange (stock code: 3750), which was an indirect shareholder controlling (i) 30% equity interest in Lopal Times, through Yichun Times, and (ii) 5.52% equity interest in Changzhou Liyuan New Energy Technology Co., Ltd. (常州鋰源新能源科技有限公司), a subsidiary of the Company, through its wholly-owned subsidiary Ningbo Meishan Baoshuigang District Wending Investment Co., Ltd. (寧波梅山保稅港區問鼎投資有限公司) as of the date of this announcement
"CATL CP Group"	CATL, its subsidiary(ies) and 30%-controlled company(ies) (excluding Lopal Times)
"CATL Products"	the products to be supplied by CATL CP Group to the Group including but not limited to raw materials and/or other processed products required by the Group in its daily production operations
"Company"	Jiangsu Lopal Tech. Group Co., Ltd. (江蘇龍蟠科技集團股份有限公司), a joint stock company established in the PRC on March 11, 2003 converted from our predecessor Jiangsu Lopal Petrochemical Co., Ltd. (江蘇龍蟠石化有限公司) into a joint stock company with limited liability under the PRC Company Law on January 23, 2014, the A Shares of which are listed on the Shanghai Stock Exchange with the stock code of 603906 and the H Shares of which are listed on the Hong Kong Stock Exchange with the stock code of 2465
"Director(s)"	the director(s) of the Company

"ESS"	energy storage systems
"Group"	the Company and its subsidiaries
"H Share(s)"	overseas listed foreign Share(s) in the share capital of our 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 Hong Kong Stock Exchange
"HK$"	Hong Kong Dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Independent Third Party(ies)"	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is/are not our connected persons or associates of our connected persons as defined under the Listing Rules
"LBM AP"	LBM New Energy (AP) Pte. Ltd. (formerly known as Lopal Tech Singapore Pte. Ltd.), a private company limited by shares incorporated in Singapore on September 28, 2018, an indirect non-wholly owned subsidiary of the Company
"LBM AP Group"	LBM AP and its subsidiaries
"LFP"	lithium iron phosphate ($LiFePO_4$)
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Lopal Products"	the products to be manufactured and/or processed by the Group in accordance with the specifications provided by CATL CP Group (including the products processed by the Group using raw materials provided by CATL CP Group)
"Lopal Times"	Yichun Lopal Times Lithium Industry Technology Co., Ltd. (宜春龍蟠時代鋰業科技有限公司), a limited liability company established in the PRC and a direct non-wholly owned subsidiary of the Company which is owned as to 70% by the Company and 30% by Yichun Times as of the date of this announcement

"New CATL Purchase Framework Agreement"	a continuing connected transaction agreement (purchase) dated January 15, 2026 entered into between the Company and CATL in relation to the purchase of Lopal Products by CATL Group from the Group
"PRC"	the People's Republic of China
"Previous CATL Purchase Framework Agreement"	a continuing connected transaction agreement (purchase) dated January 17, 2025 entered into between the Company and CATL in relation to the purchase of Lopal Products by CATL Group from the Group
"Procurement Cooperation Agreement"	the procurement cooperation agreement entered into by LBM AP and CATL dated September 15, 2025, pursuant to which the LBM AP Group shall provide LFP cathode material to CATL from the second quarter of 2026 to December 31, 2031 with an annual cap of RMB2,200 million per year during the years ending December 31, 2026 to 2031, details of which is disclosed in the announcement of the Company dated September 15, 2025
"RMB"	Renminbi, the lawful currency of the PRC
"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)
"SMM"	Shanghai Metals Market
"subsidiary" or "subsidiaries"	shall have the meaning ascribed to it under the Listing Rules
"Yichun Times"	Yichun Times New Energy Resources Co., Ltd. (宜春時代新能源資源有限公司), a limited liability company established in the PRC on November 23, 2021 and a direct wholly owned subsidiary of CATL as of the date of this announcement
"%"	per cent

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

Nanjing, PRC
January 15, 2026

As at the date of this announcement, the Board comprises Mr. SHI Junfeng, Mr. LU Zhenya, Mr. QIN Jian, Mr. SHEN Zhiyong and Mr. ZHANG Yi as executive Directors; Ms. ZHU Xianglan as non-executive Director; Mr. LI Qingwen, Mr. YE Xin, Ms. GENG Chengxuan and Mr. HONG Kam Le as independent non-executive Directors.