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LEAPMOTOR
ZHEJIANG LEAPMOTOR TECHNOLOGY CO., LTD.

浙江零跑科技股份有限公司

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

(Stock Code: 9863)

**SUPPLEMENTAL ANNOUNCEMENT ON CONTINUING
CONNECTED TRANSACTIONS**

Reference is made to the announcement of Zhejiang Leapmotor Technology Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) dated December 24, 2024 (the “**Announcement**”) in relation to the continuing connected transactions of the Company. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

In addition to the information disclosed in the Announcement, the Board would like to provide the following supplementary information in relation to the 2025 Service Procurement Framework Agreement, the 2025 Components Procurement Framework Agreement and the New Products Purchase and Sale Framework Agreement.

For the 2025 Service Procurement Framework Agreement, in determining the annual caps for the transaction amounts under it for the three years ending December 31, 2027, the Board has also taken into account the following factors: (1) as at the date of this announcement, for the year ended December 31, 2024, i. the annual sales volume of vehicles of the Company was approximately 293,000 units, representing an increase of approximately 104% as compared to that of last year; and ii. under the Existing Service Procurement Framework Agreement, the Group’s purchase amount from Dahua Zhilian amounted to approximately RMB156.0 million (unaudited), representing an increase of approximately 98% as compared to that of last year; and (2) the Company is expected that the sales volume of vehicles of the Company will continue to attain relatively high growth in the next three years, and the demand for procurement of corresponding assembly services will also increase accordingly.

For the 2025 Components Procurement Framework Agreement, in determining the annual cap of the transaction amounts under it for the year ending December 31, 2025, the Board has also taken into account the following factors: (1) as at the date of this announcement, for the year ended December 31, 2024, i. the annual sales volume of vehicles of the Company was approximately 293,000 units, representing an increase of approximately 104% as compared with that of last year; and ii. under the Existing Components Procurement Framework Agreement, the Group's purchase amount from Huaruijie Technology amounted to approximately RMB242.0 million (unaudited), representing an increase of approximately 4% as compared to last year; (2) 2025 will be a key year in the competition for intelligent driving, and the Company plans to launch and sell more models equipped with more intelligent sensing components and supporting advanced intelligent driving technology. Thus, the purchase amount for sensing components such as radar systems and camera systems is estimated to increase by over 50%; and (3) the Company expects that its sales volume of vehicles will continue to attain relatively high growth in future, along with an increase in the average number of radar systems and camera systems per vehicle, the purchase amount to be made by the Group from Huaruijie Technology under the 2025 Components Procurement Framework Agreement will increase accordingly.

For the New Products Purchase and Sale Framework Agreement, in determining the annual caps for the transaction amounts under it for the period ending December 31, 2026, the Board has also taken into account the following factors: (1) as at the date of this announcement, for the year ended December 31, 2024, benefiting from the sizable orders confirmed by the Group and Hyxi Technology separately as at the end of 2024, the Group's purchase amount from Hyxi Technology amounted to approximately RMB63.5 million (unaudited) and the Group's sales amount to Hyxi Technology amounted to approximately RMB16.2 million (unaudited); (2) for procurement of energy storage systems from Hyxi Technology, as at the date of this announcement, the Group has orders in hand from customers for energy storage systems amounting to approximately RMB20.0 million and RMB30.0 million for 2025 and 2026, respectively, and expects that there will be more new orders in 2025 and 2026. The Group will purchase energy storage systems from Hyxi Technology and/or Independent Third Parties, depending on the needs of specific transactions and the comparison of prices; and (3) for sales of battery packs and other components to Hyxi Technology, the Group expects that the sales amount to Hyxi Technology will continue to increase in 2025 and 2026, considering that i. according to TrendForce, an industry consulting company, the global newly installed capacity of energy storage is expected to reach over 221GWh in 2025, representing a year-on-year growth of 36%, which will boost the growth in demand for battery packs and components for energy storage; ii. the tariffs to be imposed by the United States on the energy storage batteries and systems from China will increase from 7.5% to 25% since 2026, which is expected to bring about a peak in the installation and construction of energy storage systems in 2025; and iii. in 2024, Hyxi Technology's energy storage business revenue increased by more than 400% compared with 2023. Considering the above industry environment and the competitiveness of Hyxi Technology's energy storage system, it is expected that Hyxi Technology's business will maintain relatively high growth in the two years ending December 31, 2026, and its demand for energy storage battery packs and other components of the Company will also increase accordingly.

Based on the information stated in the Announcement and the above considerations, the Directors (including the independent non-executive Directors) are of the view that (1) the transactions contemplated under the 2025 Service Procurement Framework Agreement, the 2025 Components Procurement Framework Agreement and the New Products Purchase and Sales Framework Agreement are carried out in the ordinary business course of the Company; and (2) the annual caps of the transaction amounts under the 2025 Service Procurement Framework Agreement, the 2025 Components Procurement Framework Agreement and the New Products Purchase and Sales Framework are fair and reasonable, in line with the future business needs of the Company and in the interests of the Company and the Shareholders as a whole.

By order of the Board
Zhejiang Leapmotor Technology Co., Ltd.
Mr. Zhu Jiangming
*Founder, Chairperson of the Board and
Chief Executive Officer*

Hong Kong, January 28, 2025

As at the date of this announcement, the Board comprises Mr. Zhu Jiangming, Mr. Cao Li and Mr. Zhou Hongtao as executive Directors; Mr. Grégoire Olivier, Mr. Douglas Ostermann and Mr. Jin Yufeng as non-executive Directors; and Mr. Fu Yuwu, Ms. Drina C Yue and Mr. Shen Linhua as independent non-executive Directors.