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 ON RETROSPECTIVE ADJUSTMENT OF FINANCIAL DATA IN RELATION TO BUSINESS COMBINATION UNDER COMMON CONTROL

The board of directors and all directors of the Company warrant that the content of this announcement does not contain any false records, misleading statements or material omissions, and accept responsibility for the authenticity, accuracy and completeness of its content in accordance with the law.

This announcement is made by Jiangsu Lopal Tech. Group Co., Ltd. (the "**Company**") pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Company held the fourth meeting of the Audit Committee of the fifth session of the board of directors and the fourth meeting of the fifth session of the board of directors on April 24, 2026, at which the resolution regarding the retrospective adjustment of financial data in relation to business combination under common control was considered and approved. This resolution is not required to be submitted to the general meeting of the Company for consideration. The relevant matters are hereby announced as follows:

I. REASONS FOR THE RETROSPECTIVE ADJUSTMENT

On March 6, 2024, the Company held the 17th meeting of the fourth session of the board of directors, at which the Resolution regarding the Acquisition of Shandong Meiduo Technology Company Limited and the Connected Transaction and Capital Increase Thereto was considered and approved. The interested directors abstained from voting. The board of directors agreed to acquire 100% equity interest in Shandong Meiduo Technology Company Limited ("**Shandong Meiduo**") held by Lopal International Holdings Co., Ltd. ("**Lopal International**") for a cash consideration of RMB100,539,200, and to make a capital contribution of RMB50,000,000 to Shandong Meiduo after the completion of the acquisition. For details, please refer to the "Jiangsu Lopal Technology Co., Ltd. Announcement on the Acquisition of Shandong Meiduo Technology Company Limited and the Connected Transaction and Capital Increase Thereto" (Announcement No.: 2024–028) disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on March 7, 2024.

On March 7, 2024, the Company held the 18th meeting of the fourth session of the board of directors, at which the Resolution regarding the Signing of the "Supplemental Agreement to the Equity Transfer Agreement of Shandong Meiduo Technology Company Limited" was considered and approved. The interested directors abstained from voting. After negotiation, both parties agreed to postpone the date of equity transfer and the payment time of the equity transfer consideration. The date of equity transfer is postponed until after the completion of the project under construction of Shandong Meiduo, and the equity transfer consideration will be paid within two weeks after the completion of the industrial and commercial change or filing procedures for this equity transfer. The parties also signed the "Supplemental Agreement to the Equity Transfer Agreement of Shandong Meiduo Technology Company Limited" in this regard. For details, please refer to the "Jiangsu Lopal Technology Co., Ltd. Supplemental Announcement on the Acquisition of Shandong Meiduo Technology Company Limited and the Connected Transaction and Capital Increase Thereto" (Announcement No.: 2024–033) disclosed by the Company on the website of Shanghai Stock Exchange on March 8, 2024.

On January 21, 2025, the aforesaid acquisition was completed. Shandong Meiduo completed the industrial and commercial change registration and became a wholly-owned subsidiary of the Company, and was included in the consolidated financial statements of the Company.

Pursuant to the relevant provisions of Accounting Standards for Business Enterprises No. 20 — Business Combinations, a business combination in which all parties involved in the combination are ultimately controlled by the same party before and after the combination, and such control is not temporary, is classified as a business combination under common control. As both the Company and Shandong Meiduo are controlled by Mr. Shi Junfeng and such control is not of a temporary nature, the current combination constitutes a business combination under common control. In accordance with the relevant provisions of Accounting Standards for Business Enterprises No. 2 — Long-term Equity Investments, the Accounting Standards for Business Enterprises No. 20 — Business Combinations and Accounting Standards for Business Enterprises No. 33 — Consolidated Financial Statements, for a business combination under common control, the opening balances of the consolidated balance sheet shall be adjusted for preparing the consolidated financial statements for the combination period, and the relevant items in the comparative consolidated income statements and consolidated cash flow statements shall also be restated, as if the combined reporting entity had existed since the date when the ultimate controlling party initially obtained control.

According to the above requirements, the Company has retrospectively adjusted the relevant financial figures in accordance with the accounting treatment for business combinations under common control. The retrospective adjustments made have not been audited.

II. EFFECT OF RETROSPECTIVE ADJUSTMENTS ON THE FINANCIAL POSITION AND RESULTS OF OPERATIONS OF PRIOR PERIODS

The specific financial figures before and after the retrospective adjustments are as follows:

(I) Effect on the 2024 Consolidated Balance Sheet

Unit: Yuan

Item	December 31, 2024 (before retrospective adjustment)	December 31, 2024 (after retrospective adjustment)	Change
Current assets:			
Bank and cash balance	2,764,665,059.56	2,775,560,310.00	10,895,250.44
Clearing settlement funds			
Placements with banks and other financial institutions			
Financial assets held for trading	505,364,039.19	505,364,039.19	
Derivative financial assets	64,000.00	67,700.00	3,700.00
Bills receivables	21,334,725.52	21,334,725.52	
Trade receivables	1,435,047,233.34	1,439,310,650.94	4,263,417.60
Receivables financing	296,752,314.61	296,752,314.61	—
Prepayments	282,303,630.94	282,403,024.38	99,393.44
Premiums receivable			
Reinsurance accounts receivable			
Deposits receivable from reinsurance treaty			
Other receivables	89,251,005.54	91,192,310.42	1,941,304.88
Including: Interests receivable			
Dividends receivable			
Purchases of resold financial assets			
Inventories	1,391,918,311.88	1,392,470,370.77	552,058.89
Including: Data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	379,062,444.70	393,832,575.34	14,770,130.64
Total current assets	7,165,762,765.28	7,198,288,021.17	32,525,255.89

Item	December 31, 2024 (before retrospective adjustment)	December 31, 2024 (after retrospective adjustment)	Change
Non-current assets:			
Loans and advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	47,659,356.24	47,659,356.24	
Other investments in equity instruments	141,450,000.00	141,450,000.00	
Other non-current financial assets			
Investment properties			
Fixed assets	5,934,001,980.99	5,988,233,863.97	54,231,882.98
Construction in progress	574,549,323.73	684,295,759.09	109,746,435.36
Biological assets for production			
Fuel assets			
Right-of-use assets	845,234,002.65	884,439,658.64	39,205,655.99
Intangible assets	404,647,784.90	404,685,985.44	38,200.54
Including: Data resources			
Development expenses			
Including: Data resources			
Goodwill	214,173,149.14	214,173,149.14	
Long-term deferred expenditures	116,272,162.37	116,272,162.37	
Deferred income tax assets	344,332,547.06	344,332,547.06	
Other non-current assets	20,884,468.25	31,356,468.25	10,472,000.00
Total non-current assets	8,643,204,775.33	8,856,898,950.20	213,694,174.87
Total assets	15,808,967,540.61	16,055,186,971.37	246,219,430.76

Item	December 31, 2024 (before retrospective adjustment)	December 31, 2024 (after retrospective adjustment)	Change
Current Liabilities:			
Short-term borrowings	3,985,751,169.10	3,985,751,169.10	
Borrowings from central bank			
Capital borrowed from other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities	878,319.80	878,319.80	
Bills payables	89,992,289.14	98,747,289.14	8,755,000.00
Accounts payable	1,701,761,339.82	1,756,848,679.24	55,087,339.42
Receipt in advance			
Contract liabilities	92,290,198.77	92,296,145.67	5,946.90
Financial assets sold under repurchase agreements			
Absorbing deposit and interbank deposit			
Security trading commission			
Security underwriting fees			
Payroll payable	61,795,695.75	63,384,096.96	1,588,401.21
Taxes payable	16,925,741.76	16,928,011.45	2,269.69
Other payables	51,377,235.08	54,724,278.04	3,347,042.96
Including: Interests payable			
Dividends payable			
Handling fees and commission payable			
Reinsurance payables			
Liabilities held for sale			
Non-current liabilities due within one year	2,530,661,861.43	2,551,254,734.35	20,592,872.92
Other current liabilities	11,805,276.47	11,806,049.57	773.10
Total current liabilities	8,543,239,127.12	8,632,618,773.32	89,379,646.20

Item	December 31, 2024 (before retrospective adjustment)	December 31, 2024 (after retrospective adjustment)	Change
Non-current liabilities:			
Insurance contract reserve			
Long-term borrowings	2,204,014,652.93	2,204,014,652.93	
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities	757,365,873.99	800,264,596.44	42,898,722.45
Long-term payables	193,097,905.80	213,590,265.15	20,492,359.35
Long-term payroll payable			
Accruals and provisions			
Deferred income	171,128,861.51	175,078,861.51	3,950,000.00
Deferred tax liabilities	6,646,189.74	6,646,189.74	
Other non-current liabilities			
Total non-current liabilities	3,332,253,483.97	3,399,594,565.77	67,341,081.80
Total liabilities	11,875,492,611.09	12,032,213,339.09	156,720,728.00
Owners' equity (or shareholders' equity):			
Paid-up capital (or share capital)	665,078,903.00	665,078,903.00	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve	2,751,995,011.04	2,851,995,011.04	100,000,000.00
Less: Treasury shares	50,271,636.84	50,271,636.84	
Other comprehensive income	–3,699,698.20	–3,699,698.20	
Special reserves	2,740,234.81	2,740,234.81	
Surplus reserves	79,751,116.00	79,751,116.00	
General risk provision			
Retained earnings	–365,344,485.08	–375,845,782.32	–10,501,297.24
Total owners' equity (or shareholders' equity) attributable to the parent company	3,080,249,444.73	3,169,748,147.49	89,498,702.76
Minority interests	853,225,484.79	853,225,484.79	
Total owners' equity (or shareholders' equity)	3,933,474,929.52	4,022,973,632.28	89,498,702.76
Total liabilities and owners' equity (or shareholders' equity)	15,808,967,540.61	16,055,186,971.37	246,219,430.76

(II) Effect on the Consolidated Income Statement for 2024

Unit: Yuan

Item	2024 (before retrospective adjustment)	2024 (after retrospective adjustment)	Change
1. Total revenue	7,673,051,137.54	7,677,046,237.19	3,995,099.65
Including: Operating revenue	7,673,051,137.54	7,677,046,237.19	3,995,099.65
Interest income		—	—
Premium income earned		—	—
Handling fees and commission income		—	—
2. Total cost of sales	8,274,550,133.28	8,289,175,871.23	14,625,737.95
Including: Cost of sales	6,961,636,468.63	6,966,401,783.03	4,765,314.40
Interest expenses		—	—
Handling fees and commission income		—	—
Payments on surrenders		—	—
Claim expenses, net		—	—
Provision for insurance liability reserve, net		—	—
Policyholder dividends		—	—
Expenses for reinsurance		—	—
Taxes and surcharges	40,728,169.72	40,739,519.37	11,349.65
Distribution and selling expenses	163,764,132.56	163,764,132.56	—
General and administrative expenses	370,569,917.35	379,731,669.39	9,161,752.04
Research & development expenses	483,919,166.87	484,565,430.16	646,263.29
Finance expenses	253,932,278.15	253,973,336.72	41,058.57
Including: Interest expenses	258,663,338.07	258,804,083.08	140,745.01
Interest income	20,964,040.63	21,073,872.80	109,832.17
Add: Other income	153,230,420.38	153,273,569.88	43,149.50
Investment income (losses are indicated with "–")	–4,063,023.90	–2,129,726.99	1,933,296.91
Including: Investment income from associates and joint ventures	–28,746,929.68	–28,746,929.68	—
Income from derecognition of financial assets at amortised cost		—	—
Foreign exchange gains (losses are indicated with "–")		—	—
Gains on net exposure hedging (losses are indicated with "–")		—	—
Gains on fair value changes (losses are indicated with "–")	–33,440,445.59	–33,770,995.59	–330,550.00

Item	2024 (before retrospective adjustment)	2024 (after retrospective adjustment)	Change
Credit impairment losses (losses are indicated with "–")	29,627,511.49	29,305,759.69	–321,751.80
Asset impairment losses (losses are indicated with "–")	–264,842,248.13	–264,842,248.13	—
Gains on disposal of assets (losses are indicated with "–")	–12,467,487.52	–12,467,487.52	—
3. Operating profit (losses are indicated with "–")	–733,454,269.01	–742,760,762.70	–9,306,493.69
Add: Non-operating income	13,444,928.37	13,451,528.37	6,600.00
Less: Non-operating expenses	3,107,346.82	3,107,346.82	—
4. Total profits (total losses are indicated with "–")	–723,116,687.46	–732,416,581.15	–9,299,893.69
Less: Income tax expenses	75,879,441.18	75,879,441.18	—
5. Net profits (net losses are indicated with "–")	–798,996,128.64	–808,296,022.33	–9,299,893.69
(I) Breakdown by continuity of operations		—	—
1. Net profit from continuing operations (net losses are indicated with "–")	–798,996,128.64	–808,296,022.33	–9,299,893.69
2. Net profit from discontinued operations (net losses are indicated with "–")		—	—
(II) Breakdown by attributable interests		—	—
1. Net profit attributable to shareholders of the parent (net losses are indicated with "–")	–635,668,136.55	–644,968,030.24	–9,299,893.69
2. Profit or loss of minority shareholders (net losses are indicated with "–")	–163,327,992.09	–163,327,992.09	—

Item	2024 (before retrospective adjustment)	2024 (after retrospective adjustment)	Change
6. Net other comprehensive income after tax	–3,140,736.58	–3,140,736.58	—
(I) Net other comprehensive income attributable to owners of the parent after tax	–2,347,301.07	–2,347,301.07	—
1. Those other comprehensive income not to be reclassified into profit or loss		—	—
(1) Changes arising from remeasurement of defined benefit plan		—	—
(2) Other comprehensive income not to be reclassified into profit or loss using the equity method		—	—
(3) Change in fair value of investment in other equity instruments		—	—
(4) Change in fair value of credit risk of enterprise		—	—
2. Those other comprehensive income to be reclassified into profit or loss	–2,347,301.07	–2,347,301.07	—
(1) Other comprehensive income to be reclassified into profit or loss using the equity method		—	—
(2) Change in fair value of other debt investments		—	—
(3) Amount of financial assets to be reclassified and taken to other comprehensive income		—	—
(4) Provision for impairment of credit in respect of other debt investments		—	—
(5) Cashflow hedging reserve	1,396,329.53	1,396,329.53	—
(6) Exchange differences on translation of foreign currency financial statements	–3,743,630.60	–3,743,630.60	—
(7) Others		—	—
(II) Net other comprehensive income attributable to minority interests after tax	–793,435.51	–793,435.51	—

Item	2024 (before retrospective adjustment)	2024 (after retrospective adjustment)	Change
7. Total comprehensive income	–802,136,865.22	–811,436,758.91	–9,299,893.69
(I) Total comprehensive income attributable to the owners of the parent	–638,015,437.62	–647,315,331.31	–9,299,893.69
(II) Total comprehensive income attributable to minority interests	–164,121,427.60	–164,121,427.60	—
8. Earnings per share:		—	—
(I) Basic earnings per share (RMB/share)	–1.10	–1.11	–0.01
(II) Diluted earnings per share (RMB/share)	–1.09	–1.11	–0.02

(III) Effect on the Consolidated Statement of Cash Flows for 2024

Unit: Yuan

Item	2024 (before retrospective adjustment)	2024 (after retrospective adjustment)	Change
Cash received from sale of goods and provision of services	5,031,390,716.50	5,031,424,270.59	33,554.09
Net increase in customers' deposit and interbank deposit		—	—
Net increase in borrowings from central bank		—	—
Net increase in capital borrowed from other financial institutions		—	—
Cash received from premiums of original insurance contract		—	—
Net cash received from reinsurance		—	—
Net increase in policyholder deposit and investment		—	—
Cash received from interests, handling fees and commission		—	—
Net increase in capital borrowed		—	—
Net increase in cash received under repurchasing		—	—
Net cash received from entrusted sale and purchase of securities		—	—
Refunds of taxes	27,499,802.52	27,499,802.52	—
Other cash received relating to operating activities	507,669,398.95	511,778,980.62	4,109,581.67
Subtotal of cash inflows from operating activities	5,566,559,917.97	5,570,703,053.73	4,143,135.76

Item	2024 (before retrospective adjustment)	2024 (after retrospective adjustment)	Change
Cash paid for purchase of goods and receiving of services	3,676,090,105.35	3,676,407,209.01	317,103.66
Net increase in customers' loans and advances			
Net increase in fund deposited in central bank and interbank			
Cash paid for claims under original insurance contract			
Net increase in capital lent to other financial institutions			
Cash paid for interests, handling fees and commission			
Cash paid for dividends to policyholders			
Cash paid to and for staff	647,304,028.36	659,764,156.19	12,460,127.83
Cash paid for all types of taxes	162,397,421.89	162,410,622.08	13,200.19
Other cash paid relating to operating activities	261,304,590.77	273,723,515.17	12,418,924.40
Subtotal of cash outflows from operating activities	4,747,096,146.37	4,772,305,502.45	25,209,356.08
Net cash flows from operating activities	819,463,771.60	798,397,551.28	–21,066,220.32
Cash received from disposal of investments	18,786,494.83	18,816,823.60	30,328.77
Cash received from return on investments	24,528,380.82	24,528,380.82	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,918,955.84	1,918,955.84	
Net cash received from disposal of subsidiaries and other business units			
Other cash received relating to investing activities	13,074,903.38	13,074,903.38	
Subtotal of cash inflows from investing activities	58,308,734.87	58,339,063.64	30,328.77
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	599,328,462.05	613,273,033.46	13,944,571.41
Cash paid for investment	473,364.36	490,196.22	16,831.86
Net increase in pledged loans			
Net cash paid for acquisition of subsidiaries and other business units			
Other cash paid relating to investing activities	479,458,972.79	479,505,388.79	46,416.00
Subtotal of cash outflows from investing activities	1,079,260,799.20	1,093,268,618.47	14,007,819.27
Net cash flows from investing activities	–1,020,952,064.33	–1,034,929,554.83	–13,977,490.50
Cash received from capital contributions	962,516,438.08	962,516,438.08	

Item	2024 (before retrospective adjustment)	2024 (after retrospective adjustment)	Change
Including: Cash received by subsidiaries from capital contributions of minority shareholders	478,487,130.93	478,487,130.93	
Cash received from borrowings	6,015,087,797.02	6,015,087,797.02	
Other cash received relating to financing activities	370,000,000.00	451,100,000.00	81,100,000.00
Subtotal of cash inflows from financing activities	7,347,604,235.10	7,428,704,235.10	81,100,000.00
Cash paid for repayment of borrowings	6,958,361,387.08	6,958,361,387.08	
Cash paid for distribution of dividends, profit or for interest	249,270,290.44	249,270,290.44	
Including: Dividends and profit distributed to minority shareholders by subsidiaries	6,013,206.00	6,013,206.00	
Other cash paid relating to financing activities	390,039,032.69	461,764,831.30	71,725,798.61
Subtotal of cash outflows from financing activities	7,597,670,710.21	7,669,396,508.82	71,725,798.61
Net cash flows from financing activities	–250,066,475.11	–240,692,273.72	9,374,201.39
4. Effects of changes in exchange rates on cash and cash equivalents	415,058.75	415,058.75	
5. Net increase in cash and cash equivalents	–451,139,709.09	–476,809,218.52	–25,669,509.43
Add: balances of cash and cash equivalents as at the beginning of the period	2,958,602,919.67	2,986,412,679.54	27,809,759.87
6. Balances of cash and cash equivalents as at the end of the period	2,507,463,210.58	2,509,603,461.02	2,140,250.44

III. EXPLANATION OF THE BOARD ON THE RATIONALITY OF THE COMPANY'S RETROSPECTIVE ADJUSTMENT

The Company's retrospective adjustment of financial statement data related to business combinations under the same control complies with the Accounting Standards for Business Enterprises promulgated by the state, its relevant guidelines and interpretations, as well as the Company's accounting policies. The retrospectively adjusted financial statements objectively and truthfully reflect the Company's financial position and actual operating results. The board of directors approves the retrospective adjustment of financial data.

IV. VIEW OF THE AUDIT COMMITTEE

The Audit Committee is of the view that the Company's retrospective adjustment of financial data for the business combination under common control in this instance complies with relevant provisions of the Accounting Standards for Business Enterprises and other applicable regulations. The retrospectively adjusted financial statements objectively and truly reflect the financial position and operating results of the Company. The retrospective adjustment of financial data also conforms to relevant laws and regulations, and there is no impairment of the interests of the Company and its shareholders as a whole, especially minority shareholders. The Company's retrospective adjustment of financial data for the business combination under common control is hereby approved and submitted to the board of directors for deliberation.

This announcement is published in both Chinese and English. In case of discrepancies between the Chinese and English versions, the Chinese version shall prevail.

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

Nanjing, PRC
April 24, 2026

As at the date of this announcement, the board of directors of the Company comprises Mr. SHI Junfeng, Mr. LU Zhenya, Mr. QIN Jian, Mr. SHEN Zhiyong and Mr. ZHANG Yi as executive directors; Ms. ZHU Xianglan as non-executive director; and Ms. GENG Chengxuan, Mr. HONG Kam Le, Mr. ZHANG Jinlong and Mr. LU Jian as independent non-executive directors.