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Jiu Rong Holdings Limited
久融控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 2358)

QUARTERLY UPDATE ON THE STATUS OF THE IMPLEMENTATION OF THE ACTION PLAN TO ADDRESS THE DISCLAIMER OF OPINION

This announcement is made by Jiu Rong Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the annual report of the Company for the eighteen months ended 30 June 2025 (the "**2024/25 Annual Report**"), and the Company's announcements dated 19 November 2025 and 26 February 2026 regarding the implementation of the action plan to resolve the auditors' disclaimer of opinion (collectively, the "**Previous Announcements**"). Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meanings as defined in the 2024/25 Annual Report and the Previous Announcements.

I. BACKGROUND OF THE DISCLAIMER OF OPINION

As disclosed in the 2024/25 Annual Report, the independent auditors issued a disclaimer of opinion on the Group's consolidated financial statements, primarily due to material uncertainties regarding going concern. Simultaneously, the auditors expressed a qualified opinion in respect of a scope limitation on the audit of trade and other receivables. The Company has formulated a specific action plan and has been continuously advancing its implementation. The latest quarterly implementation status is announced as follows.

II. ACTION PLAN TO RESOLVE THE DISCLAIMER OF OPINION AND QUARTERLY IMPLEMENTATION STATUS

To resolve the material uncertainty related to going concern, the Group strictly implemented four action plans. Progress in this quarter are as follows:

1. Asset disposal

As the acquisition of assets by the purchaser, Hangzhou Xihu New Energy Technology Co., Ltd., is still undergoing superior approval processes, the asset transfer procedures for the 11 new energy public transport charging stations and their related assets in Hangzhou have not yet been completed.

2. Negotiation on overdue debts

Substantial progress has been made in negotiations between the Group and its major creditor, Westlake Electronics. Both parties have reached a consensus on pursuing litigation to resolve the RMB230,000,000 overdue loan issue. Further discussions are underway regarding debt repayment plans and the disposal of collateral. On 19 May 2026, the relevant companies of the Group received a civil mediation document issued by the Hangzhou Intermediate People's Court, confirming that the two parties to the litigation formally reached the following agreement regarding the loan of RMB230,000,000: 1) Jiu Rong New Energy will repay Westlake Electronics the principal amount of RMB230,000,000, together with interest, and penalties, etc., in 50 instalments (i.e., the final instalment due date is 30 June 2030); 2) In the event of default in repayment by Jiu Rong New Energy, Westlake Electronics shall have the priority rights in receiving repayment from the collateral. For details, please refer to the Company's announcement dated 12 May 2026.

3. Renewal and refinancing of bank facilities

During this quarter, the litigation involving Hangzhou United Rural Commercial Bank Co., Ltd. ("**United Bank**") and the litigation involving Bank of Communications Co., Ltd. ("**Bank of Communications**") have proceeded in accordance with judicial procedures.

On 12 May 2026, the litigation with United Bank was heard in the Xihu District People's Court of Hangzhou City, with no judgment delivered on the same day. Certain bank accounts of the Group's subsidiaries in the PRC have been frozen due to property preservation measures adopted in such litigations. As at the date of this announcement, the frozen bank deposits amounted to approximately RMB12,721,423. Please refer to the Company's announcements dated 3 February 2026 and 2 March 2026 for details.

On 21 May 2026, Hangzhou Lu Yun Property Limited received a civil mediation document in relation to Bank of Communications served by the Shangcheng District People's Court of Hangzhou City, confirming that the two parties had reached the following principal terms: 1) Hangzhou Lu Yun Property Limited shall repay the principal amount of RMB49,000,000, together with accrued interest and overdue penalty interest, to Bank of Communications before 31 August 2026; 2) Bank of Communications shall have the priority rights in receiving payment over the proceeds from the discount, auction or sale of the collateral. For details, please refer to the Company's announcements dated 2 March 2026, 20 April 2026, and 14 May 2026.

Furthermore, from the date of the last quarterly update announcement to the date of this announcement, the Group has successfully renewed and extended interest-bearing loans aggregating approximately RMB29,300,000, of which RMB18,000,000 has been extended to 26 July 2026, RMB4,300,000 has been extended to 5 January 2027, and RMB7,000,000 has been extended to 30 April 2027.

The Group maintains good communication with other leading banks and is actively advancing negotiations for new financing to further strengthen liquidity support.

4. Working capital supplement and cost optimisation

The Group is seeking to supplement working capital through multiple channels, including shareholder support, debt restructuring, and asset disposal. The overall cash position has improved slightly compared with the previous quarter, but no formal written agreement has been reached in respect of working capital supplement as at present. Meanwhile, the Group continues to strengthen cost control, strictly reducing administrative expenses, optimizing human resource allocation, and improving operational efficiency.

III. QUARTERLY PROGRESS ON MATTERS WITH QUALIFIED OPINION DUE TO AUDIT SCOPE LIMITATIONS

1. Trade receivables from Banco Nationale de Cuba

The Group maintained a regular reconciliation mechanism with Banco Nationale de Cuba. Having obtained the formal debt confirmation letter as at 9 February 2026, the Group issued a demand letter to Banco Nationale de Cuba on 5 March 2026, and had held multiple communications requesting the fulfilment of the previous repayment commitments. In April 2026, the Group held meetings with Banco Nationale de Cuba and the Ministry of Electronics of Cuba to discuss the collection of demand repayment and discuss the feasibility of various repayment methods.

During this quarter, the Group failed to recover the amount due to the combined impact of multiple external objective factors on Cuba's domestic economy, foreign exchange and energy sectors, which are facing severe difficulties. However, after careful assessment, the Board maintains that no impairment provision should be made in respect of the relevant receivables. The delayed payments were mainly due to Cuba's foreign exchange controls and the international environment, rather than the deterioration of creditworthiness of debtors. The Group will continue to provide complete reconciliation documents and repayment vouchers to the auditor to facilitate the removal of the audit scope limitation.

From the last quarterly update announcement to the date of this announcement, the Group has not recovered any further receivables.

2. Other receivables from former executive director Mr. Siu Chi Ming

The Group's legal proceedings against Mr. Siu Chi Ming are ongoing. The court hearing was completed on 24 March 2026, and the court has ruled on the application for disclosure of bank statements. The Group has fully investigated the relevant fund flows in accordance with the court order and verified the current status of Mr. Siu Chi Ming's assets in Hong Kong. Based on materials obtained by the Company from its lawyers on 15 May 2026, new fund flows for Mr. Siu Chi Ming have been identified and will be further traced.

The Tsuen Wan property has been taken over and disposed of by the mortgagee bank. The Group continues to monitor the disposal progress and the residual value distribution; the status of car parking spaces and bank account assets is also being tracked. The Group timely provides the latest legal documents, asset disclosure information and court rulings to the auditor to assist in assessing the recoverable amount.

IV. SAFEGUARD MEASURES TO ENSURE EFFECTIVE IMPLEMENTATION OF THE ACTION PLAN

To effectively resolve the auditor's disclaimer of opinion and audit scope limitation, the Company has established a comprehensive implementation safeguard mechanism:

1. The Board exercises overall supervision, with executive directors taking special responsibility and regularly assessing completion status;

2. All asset disposals, debt restructurings, and financing renewals are subject to written agreements, with full fund deposits and complete vouchers retained;

3. Maintain regular communication with the auditor and provide sufficient and appropriate audit evidence in a timely manner;

4. Strictly comply with disclosure obligations in accordance with the Listing Rules to ensure transparency of progress;

5. Continuously optimise operational and financial structures, stabilise operating cash flows, and completely eliminate material uncertainties related to going concern.

The Board will continue to exert its best efforts to implement the action plan. The Company will publish a quarterly update announcement every three months from the date of this announcement until the Disclaimer of Opinion is resolved. The Company may also publish separate announcements on any material updates at the appropriate time.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Jiu Rong Holdings Limited
Chen Yunxiang
Executive Director

Hong Kong, 22 May 2026

As at the date of this announcement, the Executive Directors are Mr. Chen Yunxiang and Mr. Yan Zhendong, and the Independent Non-executive Directors are Mr. Hua Nengdong, Mr. Wong Po Keung and Ms. Lu Ruidi.

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.