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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)

**INDICATIVE ANNOUNCEMENT
ON PROPOSED IMPAIRMENT PROVISION**

IMPORTANT NOTICE:

In accordance with the “Accounting Standards for Business Enterprises No. 8 — Asset Impairment” and “Accounting Regulatory Risk Warning No. 8 — Goodwill Impairment” and the relevant regulation of the Company’s accounting policies, Jiangsu Lopal Tech. Group Co., Ltd. (the “**Company**”) performed preliminary impairment tests on underlying assets that may have shown indicators of impairment on the balance sheet date within the scope of consolidated statements, such as goodwill, accounts receivable and inventories. The Company intends to make impairment provision for the first half of 2026, which is expected to result in a reduction in the net profit attributable to the shareholders of the listed company by a range of RMB35.6553 million to RMB41.2850 million.

The amount of the impairment provision has not been audited, and the final accounting treatment and impact on the Company’s profit for the first half of 2026 shall be subject to the 2026 interim report to be disclosed by the Company.

I. OVERVIEW OF PROVISION FOR IMPAIRMENT

(1) Goodwill

In accordance with the relevant provisions of documents, such as “Accounting Standards for Business Enterprises No. 8 — Asset Impairment” issued by the Ministry of Finance and “Accounting Regulatory Risk Warning No. 8 — Goodwill Impairment” issued by the China Securities Regulatory Commission, the Company conducted a goodwill impairment test on the asset groups of Changzhou Liyuan New Energy Technology Group Co., Ltd. (常州鋰源新能源科技集團有限公司) and Zhangjiagang TEEC Automotive Chemicals Co., Ltd. (張家港迪克汽車化學品有限公司). Taking into account factors such as the operating conditions and development expectations of the two asset groups, the Company has preliminarily concluded that there are no indicators of impairment in respect of the goodwill.

(2) Accounts Receivable

Provision for credit impairment loss on accounts receivable is proposed to be approximately RMB32.7225 million to RMB39.0471 million for the first half of 2026, primarily due to the increase in the balance of accounts receivable.

(3) Inventories

Provision for impairment loss on inventories is proposed to be approximately RMB26.4158 million to RMB30.5867 million for the first half of 2026, primarily due to changes in the market prices of raw materials.

II. IMPACT ON THE COMPANY FROM THE PROVISION FOR IMPAIRMENT

The aforementioned provision for asset impairment is expected to reduce the net profit attributable to the shareholders of the listed company by a range of RMB35.6553 million to RMB41.2850 million. The amount of the provision for impairment has not been audited, and the final accounting treatment and its impact on the Company’s profit for the first half of 2026 shall be subject to the 2026 interim report to be disclosed by the Company.

III. RISK WARNING

- (1) The proposed impairment amount is based on the Company’s preliminary calculation. At present, the impairment test has not been completed, and the final provision amount shall be subject to the 2026 interim report to be disclosed by the Company. Investors are advised to exercise caution when making decisions and pay attention to investment risks.

- (2) The provision for impairment proposed by the Company is subject to the consideration and approval of the audit committee of the board of directors and the board of directors of the Company after the amount of provision is determined.

The financial data in this announcement is prepared using the China Accounting Standards for Enterprises.

This announcement is published in both English and Chinese. 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
July 13, 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; Ms. GENG Chengxuan, Mr. HONG Kam Le, Mr. ZHANG Jinlong and Mr. LU Jian as independent non-executive Directors.