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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**"), the announcements of the Company dated 19 November 2025, 26 February 2026, 22 May 2026 and 21 August 2026 regarding the implementation of the action plan to resolve the auditors' disclaimer of opinion (collectively, the "**Previous Announcements**"), and the announcements of the Company dated 28 September 2026, 2 October 2026 and 21 October 2026 regarding the delay in publication of the annual results of the Company for the year ended 30 June 2026 (the "**Annual Results**") and the suspension of trading in the shares of the Company (collectively, the "**Delay Announcements**"). Unless the context otherwise requires, capitalised terms used in this announcement shall bear the same meanings as those defined in the 2024/25 Annual Report, the Previous Announcements and the Delay Announcements.

The period covered by this announcement is from 22 August 2026 to 19 November 2026 (the "**Quarter**").

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 consolidated financial statements of the Group, primarily attributable to material uncertainties relating to going concern. Concurrently, the auditors issued a qualified opinion in respect of the scope limitation on the audit of trade and other receivables. The auditors stated that they had been unable to obtain sufficient and appropriate audit evidence to assess the appropriateness of the Group's adoption of the going concern basis and the recoverability of the trade and other receivables, and accordingly issued a disclaimer of opinion and a qualified opinion respectively. The Company has formulated a dedicated action plan and has continued to advance its implementation. The latest implementation status for the Quarter is set out below.

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

In order to address the material uncertainty relating to going concern, the Group has striven to enhance the efficiency of its principal businesses, to dispose of certain assets so as to reduce liabilities, to negotiate debt restructuring proposals with creditors and to broaden its financing channels. The implementation status of the four action plans and the bases of the cash flow forecast supporting the going concern assessment are set out below.

1. Asset disposal

During the Quarter, the Group did not undertake any material disposal of assets. The Group will continue to explore opportunities for the disposal of its property assets with a view to further reducing its level of indebtedness.

2. Negotiations on material overdue debts and litigation progress

During the Quarter, the Group continued to follow up with the relevant creditors and the courts in respect of the material overdue debts and litigations set out below. The current status of each matter is summarised in the table below.

Plaintiff	Defendant	Case No.	Nature of the litigation	Subject matter of the litigation	Procedural stage	Date of announcement	Remarks
Westlake Electronics Group Co., Ltd.	Jiu Rong New Energy Science and Technology Limited*; Hangzhou Lu Yun Property Limited* and Soyea Jiu Rong Technology Co., Limited* (parties to the Enforcement Settlement Agreement)	(2026) Zhe 01 Zhi No. 1265 (enforcement); Civil Mediation Statement issued by the Hangzhou Intermediate People's Court on 19 May 2026	Loan contract dispute	Overdue principal of approximately RMB230.00 million together with interest; approximately RMB42.68 million offset against part of the principal by way of assignment of creditor's rights	Enforcement proceedings commenced; the Execution Settlement Agreement was entered into on 14 July 2026; the amount and timing of the offset by the assignment of creditor's rights are being confirmed (targeted to be completed on or before 31 December 2026), and negotiations are ongoing in respect of the disposal of other mortgaged assets	15 July 2026; 3 August 2026	Confirmation documents will be provided to the auditors to support the adjustment of the liability amount
Hangzhou United Rural Commercial Bank Co., Ltd.	Hangzhou Lu Yun Property Limited, Jiu Rong New Energy Science and Technology Limited and others	(2026) Zhe 0106 Min Chu No. 1242 and No. 1244	Loan contract dispute	Principal of approximately RMB153.00 million and RMB5.98 million, together with interest, compound interest and penalty interest	Settlement records entered into on 16 July 2026; being performed in accordance with the terms as at the date of this announcement	17 July 2026; 28 August 2026	Case No. 1244 involving RMB5.98 million, together with interest, compound interest and penalty interest had been settled in full before 31 October 2026
Hangzhou United Rural Commercial Bank Co., Ltd.	Soyea Jiu Rong Technology Co., Limited, Zhejiang Jiu Rong Intelligent Technology Co., Ltd.*, Hangzhou Lu Yun Property Limited, Jiu Rong New Energy Science and Technology Limited	(2026) Zhe 0106 Min Chu No. 1247, No. 1252 and No. 1255	Loan contract dispute	Principal confirmed in aggregate of approximately RMB112.67 million together with interest, compound interest and penalty interest; litigation costs of RMB703,809	First-instance civil judgment of the People's Court of Xihu District, Hangzhou received on 27 August 2026	17 July 2026; 28 August 2026	62 mortgaged assets (approximately 17,401 square metres), maximum secured amount of RMB235,561,500; a proposal to repay by instalments out of the rental income from the mortgaged assets has been put forward and the negotiation is at an early stage

Plaintiff	Defendant	Case No.	Nature of the litigation	Subject matter of the litigation	Procedural stage	Date of announcement	Remarks
Hangzhou Gongshu Branch of Bank of Communications Co., Ltd.	Hangzhou Lu Yun Property Limited	(2026) Zhe 0102 Min Chu No. 6794	Loan contract dispute	Outstanding principal of RMB49.00 million together with interest and penalty interest; enforcement amount of RMB49,856,868.54 and the corresponding interest	As repayment was not made by the settlement deadline, enforcement proceedings have commenced; enforcement notice and enforcement ruling received on 27 October 2026	14 May 2026; 29 October 2026	Bank deposits of the subject matter in the amount of RMB50,119,667.54 frozen and seized; 31 mortgaged properties (approximately 8,228 square metres) may be auctioned
Hangzhou Branch of Shanghai Pudong Development Bank Co., Ltd.	Zhejiang Jiu Rong Intelligent Technology Limited, Jiu Rong New Energy Science and Technology Limited	(2026) Zhe 0102 Min Chu No. 15751	Letter of credit dispute	Advance principal under domestic letter of credit of RMB12,888,000 together with penalty interest of RMB84,577.50 (provisionally calculated up to 18 May 2026, and thereafter at an annual interest rate of 4.5% until the date of settlement)	First-instance civil judgment of the People's Court of Shangcheng District, Hangzhou received on 19 October 2026; no appeal will be lodged and the subsequent repayment arrangements are being discussed	3 July 2026; 20 October 2026	Jiu Rong New Energy Science and Technology Limited bears joint and several liability (maximum guaranteed amount of RMB30,000,000)
Hangzhou Gongshu Branch of Agricultural Bank of China Limited	Zhejiang Jiu Rong Intelligent Technology Limited, Hangzhou Lu Yun Property Limited	(2026) Zhe 0105 Min Chu No. 18453	Loan contract dispute	Principal of RMB12,300,000 together with interest, penalty interest and compound interest, with total claims of approximately RMB12,362,860.77	Hearing held; no judgment has been made as at the date of this announcement	8 October 2026	Hangzhou Lu Yun Property Limited has mortgaged four properties at Liuhe Jinzuo (1,523.8 square metres), with the maximum outstanding balance of the secured claims being RMB24,040,000

Plaintiff	Defendant	Case No.	Nature of the litigation	Subject matter of the litigation	Procedural stage	Date of announcement	Remarks
Soyea Technology Innovation Development Co., Ltd. *	Zhejiang Jiu Rong Intelligent Technology Limited	(2026) Zhe 0114 Min Chu No. 6367	Premises lease contract dispute	Premises rental of RMB17,056,660.80, penalty for overdue payment of RMB196,234.27 and insurance and litigation costs of approximately RMB136,317	First-instance civil judgment of the People's Court of Qiantang District, Hangzhou received on 18 November 2026 (judgment date: 11 November 2026)	First disclosed in this announcement	An appeal may be lodged with the Hangzhou Intermediate People's Court within fifteen days from the date of service of the judgment. The Company is currently reviewing the contents of the judgment and is considering whether to appeal against the judgment.
Soyea Technology Innovation Development Co., Ltd.	Soyea Jiu Rong Technology Co., Limited	(2026) Zhe 0114 Min Chu No. 11063	Premises lease contract dispute	Outstanding rental and occupation rental and penalty, with total claims of RMB7,985,823.42	Notice of response to the action from the the People's Court of Qiantang District, Hangzhou received on 19 October 2026; no hearing has been scheduled as at the date of this announcement	20 October 2026	Involves three premises lease contracts with an aggregate leased area of approximately 35,831 square metres
Wangjiang Sub-district Office of the People's Government of Shangcheng District, Hangzhou	Jiu Rong New Energy Technology Co., Ltd.	(2026) Zhe 0102 Min Chu No. 24053	Land lease contract dispute	Rental of RMB2,909,008.02, interest of RMB61,153.15, site occupation fee of RMB241,915.50 (thereafter RMB1,163,603.21 per annum) and acceptance fee of RMB15,036	First-instance judgment made by the People's Court of Shangcheng District, Hangzhou on 29 September 2026	22 September 2026; 8 October 2026	The leased site at No. 52 Shadi Road is to be vacated, restored to its original state and returned

Note:

1. The amounts, case numbers and procedural stages set out in the above table are based on the information available to the Group as at the date of this announcement. For details of each matter, please refer to the announcements published by the Company on the relevant dates.

2. Each of the defendants is the subsidiary of the Company.

The principal amounts of the borrowings and the accrued interest involved in the foregoing matters have been recognised in the books of the Group for the relevant reporting periods. The litigation judgments itself will not result in any material change to the scale of the liabilities recognised by the Group. Nevertheless, the repayment schedules, penalty interest, doubled interest and asset disposal measures stipulated in the judgments and the enforcement arrangements will, to a certain extent, increase the short-term cash flow pressure of the Group. The Group will continue to negotiate settlements, repayment by instalments or other feasible enforcement arrangements with the relevant creditors, and will make further announcements on any material developments at the appropriate time in accordance with the Listing Rules.

3. Renewal and refinancing of bank facilities

From the date of the last quarterly update announcement up to the date of this announcement, the Group has continued to negotiate renewal and extension arrangements with its lending banks. During the Quarter, no bank loan of the Group fell due and, accordingly, no new renewal or extension arrangement was successfully implemented during the period. As disclosed in the Delay Announcements, the Group has submitted to Zheshang Bank all relevant documents in respect of the loan extension agreement, which remains subject to the internal approval of that bank. The Group is closely monitoring the progress of the approval and is endeavouring to finalise the relevant extension arrangement in the near term.

4. Working capital supplement and cost optimisation

The Group continues to review its principal businesses with a view to enhancing business efficiency and expanding revenue so as to supplement working capital and strengthen market confidence. During the Quarter, the Group focused its efforts on two business initiatives: firstly, the expansion of the leasing business of the Liuhe Jinzuo property in Hangzhou so as to increase the occupancy rate and rental income; and secondly, the expansion of the operation and management business of new energy charging stations so as to broaden the revenue sources of its new energy business through an asset-light model. The supporting documents for the foregoing businesses are being progressively obtained and will be provided to the auditors in due course in support of the cash flow forecast for the forthcoming eighteen months.

As regards the property business, affected by the macroeconomic conditions of the real estate sector, the progress of the Group's property sales and leasing and the construction of its jointly-owned property companies has fallen short of expectations. The Group is intensifying its overall leasing promotion efforts so as to broaden its sources of income, and is concurrently negotiating debt restructuring proposals with the relevant creditors with a view to revitalising its property assets as early as possible so as to resolve its indebtedness.

The Group will continue to endeavour to improve the quality of its business and, at the same time, will continue to intensify the collection of accounts receivable, strengthen cost control, strictly reduce administrative expenses, optimise the allocation of human resources and enhance operational efficiency.

5. Going concern assessment and the eighteen-month cash flow forecast

In support of the auditors' going concern assessment, the Group has prepared a cash flow forecast covering the eighteen months commencing on 1 July 2026 and has provided the auditors with the data sources, principal assumptions and calculation bases underlying the forecast. The forecast has taken into account the following action plans which have been implemented, signed or completed: (i) the proceeds from the asset disposals completed in the previous quarter, comprising the adjusted consideration of approximately RMB184.4 million for the transaction in respect of 11 new energy public transport charging stations in Hangzhou (the application of the proceeds is set out in the Previous Announcements) and the net proceeds of approximately RMB5.35 million from the disposal of five idle production lines and the related auxiliary equipment; and (ii) the "Repayment Agreement" entered into between four subsidiaries of the Group and Heilongjiang Xin Luzhou Real Estate Development Limited*, which confirms the indebtedness owed by Heilongjiang Xin Luzhou Real Estate Development Limited to the Group as at 31 December 2025 and the proposal for repayment by instalments.

As regards the matters not yet completed, including the internal approval of Zheshang Bank in respect of the loan extension, the repayment arrangement in respect of the remaining indebtedness owed to Westlake Electronics Group Co., Ltd., the repayment or enforcement arrangements with United Bank, Bank of Communications and Shanghai Pudong Development Bank, the risk that Heilongjiang Xin Luzhou Real Estate Development Limited may fail to make payments under the Repayment Agreement on schedule (the forecast only takes into account the amounts at the times stipulated in the agreement) and the possible equity fund-raising, the Group has not assumed that any of them will necessarily materialise. Only the arrangements which have been agreed in principle or formally entered into as at the date of this announcement have been incorporated into the forecast, with sensitivity analysis performed in respect of the relevant timing and amounts. The management will continue to monitor any deviation between the actual cash flows and the forecast and will adjust the action plan where necessary.

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

1. Trade receivables from Banco Nationale de Cuba

During the Quarter, the Group maintained communications by email and telephone with Banco Nationale de Cuba and the Cuban debtor enterprises, and obtained confirmation letters in respect of the trade receivables as required. Neither Banco Nationale de Cuba nor the various debtor entities have repudiated their debts; each of them has stated that the current uncertainty in repayment is attributable to objective factors such as fundraising, foreign exchange coordination and the actual payment channels. Although specific payment arrangements have yet to be finalised, all parties have throughout been actively seeking solutions for debt settlement.

From the date of the last quarterly update announcement up to the date of this announcement, the Group has not received any further repayments. Following prudent assessment, the Board maintains that no impairment provision should be made in respect of the relevant receivables. The delay in repayment is principally attributable to Cuba's foreign exchange controls and the international environment, rather than to any deterioration in the creditworthiness of the debtors. The Group will continue to provide the auditors with complete reconciliation documents and repayment vouchers so as to facilitate the removal of the audit scope limitation.

The Group measures the impairment of trade receivables at an amount equal to the lifetime expected credit losses. In respect of the above receivables, the Group has maintained ongoing communication with the auditors. The auditors consider that there are no other satisfactory audit procedures which they could adopt to determine whether any allowance should be made in the consolidated financial statements in respect of the amount of such receivables which may not be recoverable. To this end, the Group will continue to collect and provide to the auditors actual collection vouchers, official reconciliation documents issued by Banco Nationale de Cuba and other information conducive to demonstrating recoverability, in an endeavour to remove the relevant audit scope limitation in the financial statements for the year ended 30 June 2026.

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

As disclosed in the last quarterly update announcement, the Group exchanged witness statements with the defendant in July 2026. During the Quarter, the Group continued to advance its legal proceedings against Mr. Siu Chi Ming. In November 2026, Mr. Siu Chi Ming, the defendant, applied to the High Court of the Hong Kong Special Administrative Region for the discharge of the asset freezing injunction (the "**Injunction**") granted against him. The Group's Hong Kong legal representatives have submitted to the court their submissions in opposition and have adduced evidence in respect of Mr. Siu Chi Ming's asset disclosure, the movement of funds and the necessity of maintaining the Injunction. Pursuant to the court's current directions, the parties to the proceedings are required to exchange affirmations once again on or before 17 December 2026, following which the court will list the matter for hearing. The Group will closely monitor the relevant proceedings and will continue to adopt all feasible measures to preserve and recover the relevant assets.

At the time of preparation of the annual report, communications were held with the Group's Hong Kong legal representatives in respect of this case and their written replies were obtained. The Group has discussed with the auditors the impairment assessment of the other receivable in respect of this case (approximately HK$8,304,000). The auditors consider that the recoverability of such amount is highly dependent on the final outcome of the litigation in the High Court of the Hong Kong Special Administrative Region and the actual realisation of the defendant's assets, and have indicated that the relevant audit scope limitation would be difficult to remove in the absence of a final and binding court judgment, the enforcement of such judgment and evidence of actual receipt of funds (including bank credit advices). The Group will continue to closely monitor the progress of the litigation and the disposal of assets and will provide the relevant evidence to the auditors in due course.

IV. LATEST STATUS OF THE PUBLICATION OF THE ANNUAL RESULTS AND THE SUSPENSION OF TRADING IN THE SHARES

As the Annual Results could not be published on or before 30 September 2026, trading in the shares of the Company has been suspended with effect from 9:00 a.m. on 2 October 2026 and will remain suspended until the publication of the Annual Results by the Company. The detailed reasons for the delay are set out in the Delay Announcements and principally comprise: (i) the requirement of the auditors that the Company engage external legal counsel to issue a legal opinion on the completeness of the litigation and contingent liabilities of the Group as at 30 June 2026 (31 litigations were commenced in the PRC, of which 22 cases remained unsettled with the Group acting as defendant or person subject to enforcement, involving aggregate claims of approximately RMB689 million), the corresponding estimated loss amounts and the likelihood of occurrence of such losses; and (ii) the requirement of the auditors that the Company provide the data sources and bases for the cash flow forecast for the forthcoming eighteen months, among which the loan extension agreement with Zheshang Bank remains subject to the internal approval of that bank, the "Repayment Agreement" with Heilongjiang Xin Luzhou Real Estate Development Limited was signed during the Quarter and has been provided to the auditors, and the supporting documents for the new businesses (namely, the expansion of the property leasing business located at Liuhe Jinzuo and the expansion of the operation and management business of new energy stations) are still being progressively obtained.

The Company originally planned to publish the Annual Results on or before 30 November 2026. In light of the current circumstances, the publication date of the Annual Results is expected to be further postponed, principally because: (i) the Company originally planned to obtain, on or before 20 November 2026, a legal opinion to be issued by PRC counsel in respect of the litigation as at 30 June 2026. The relevant law firm requires, in accordance with industry practice, prepayment of its service fees prior to the issuance of the opinion, and the Company has commenced and expedited the relevant internal payment approval procedures. As such procedures are yet to be completed, the legal opinion is expected to be obtained on or before 30 November 2026; and (ii) the supporting materials for the Group's going concern assessment for the forthcoming eighteen months are still being collected and are not yet complete. In light of the current circumstances, the Company's current target is to publish the Annual Results on or before 31 December 2026, subject to the progress of the auditors' work and the finalisation of the above supporting materials. Should this target not be met, the Company will publish a further announcement setting out the latest progress and a revised timetable.

The Company is cooperating closely with the auditors to complete the foregoing work and will publish a further announcement as soon as practicable after the publication date of the Annual Results has been determined. Trading in the shares of the Company will remain suspended until the publication of the Annual Results. As disclosed in the Delay Announcements, the Board considers that it is not appropriate to publish the unaudited management accounts of the Company for the year ended 30 June 2026 at the present stage, so as to avoid misleading the shareholders and potential investors of the Company. The Company will continue to maintain communications with the Stock Exchange in respect of the arrangements for the resumption of trading in the shares and will resume trading as soon as practicable in compliance with the Listing Rules.

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

With a view to effectively resolving the auditors' disclaimer of opinion and the audit scope limitation, the Company has established a comprehensive mechanism for safeguarding implementation:

1. The Board exercises overall supervision, with executive Directors assuming dedicated responsibility and regularly assessing the status of completion;

2. All asset disposals, debt restructurings and financing renewals are to be evidenced by written agreements, with all funds deposited in full and complete vouchers retained;

3. The Company maintains regular communications with the auditors and provides sufficient and appropriate audit evidence in a timely manner;

4. The Company strictly performs its disclosure obligations in accordance with the requirements of the Listing Rules so as to ensure that its progress is open and transparent;

5. The Company continuously optimises its operational and financial structure, stabilises its operating cash flows and eliminates the material uncertainty relating to going concern as early as possible; and

6. The Company enhances its internal reporting and disclosure mechanism in respect of litigation and contingent liabilities so as to ensure that material matters are identified and disclosed in a timely manner and that enquiries from the regulators are responded to fully and promptly.

The Board will continue to use its best endeavours to implement the action plan. The Company will publish an announcement once every three months from the date of this announcement until the disclaimer of opinion has been resolved. The Company may also publish further announcements in respect of 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
Executive Director
Chen Yunxiang

Hong Kong, 20 November 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 between the English and Chinese versions of this announcement, the English version shall prevail.

* *For identification purpose only*