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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)

**(1) ADJUSTMENT OF THE NUMBER OF GRANTEES UNDER
THE 2025 SHARE OPTION INCENTIVE SCHEME; AND**
**(2) GRANT OF SHARE OPTIONS UNDER
THE 2025 SHARE OPTION INCENTIVE SCHEME**

References are made to (i) the announcement of Jiangsu Lopal Tech. Group Co., Ltd. (the “**Company**”) dated October 22, 2025; (ii) the circular of the Company dated December 9, 2025 (the “**Circular**”); and (iii) the poll results announcement of the Company dated December 31, 2025, in relation to, among others, the proposed adoption of the 2025 Share Option Incentive Scheme and the Proposed Grant. Unless otherwise indicated, capitalised terms used in this announcement shall have the same meanings as defined in the Circular.

**ADJUSTMENT OF THE NUMBER OF GRANTEES UNDER THE 2025 SHARE
OPTION INCENTIVE SCHEME**

On January 5, 2026, the Board considered and approved the proposal on adjustment of the number of grantees under the 2025 Share Option Incentive Scheme at the 48th meeting of the fourth session of the Board. As some Participants proposed to be granted Share Options under the 2025 Share Option Incentive Scheme were no longer employees of the Group, the Board has adjusted the number of grantees who were granted Share Options under the Scheme according to the authorization of the EGM.

After the adjustment, the total number grantees granted Share Options pursuant to the grant of the Share Options under the 2025 Share Option Incentive Scheme Grant is reduced from 300 to 285. Save as disclosed above, the Grant is in line with those considered and approved at the EGM. The above-mentioned adjustment to the number of grantees will not have a material effect on the financial conditions and operating results of the Company.

GRANT OF SHARE OPTIONS TO THE PARTICIPANTS OF THE 2025 SHARE OPTION INCENTIVE SCHEME

On December 31, 2025, the 2025 Share Option Incentive Scheme was approved by the EGM by way of special resolutions. Thereafter, the Board, pursuant to the authorisation given by the EGM, resolved and passed the resolution approving the proposal on the grant (the “**Grant**”) of Share Options under the 2025 Share Option Incentive Scheme. The Board is of the view that all Conditions of Grant have been satisfied and has determined January 5, 2026 as the Date of Grant. Details of which are as follows:

Grant of Share Options under the 2025 Share Option Incentive Scheme

- 1. Date of Grant:** January 5, 2026
- 2. Exercise Price:** RMB15.35 per A Share
- 3. Source of Shares:** new A Shares (being ordinary shares) to be issued and placed to the Participants by the Company
- 4. Market price of the A Shares on the Date of Grant:** RMB20.39 per A Share
- 5. Number of Share Options granted:** 6,850,000

6. Number of grantees under the Grant: 285

The details of the Participants and the Grant are set out in the table below:

Name	Position	Number of Share Options	Approximate percentage of the total Share Options	Approximate proportion to the total share capital of the Company as at the date of this announcement
I. Directors, Senior Management				
Zhang Yi	Executive Director, joint company secretary of the Company and secretary of the Board	130,000	1.90%	0.0190%
Lu Zhenya	Executive Director	120,000	1.75%	0.0175%
Qin Jian	Executive Director, deputy general manager	90,000	1.31%	0.0131%
		—————	—————	—————
Subtotal (3 persons)		340,000	4.96%	0.0496%
II. Other Participants				
Middle management and core technical (business) backbones (282 persons)		6,510,000	95.04%	0.9503%
		—————	—————	—————
Total (285 persons)		6,850,000	100.00%	0.9999%

7. Validity Period, Vesting Period and exercise arrangement of Share Options

(1) Validity Period

The Validity Period of the Scheme shall be the period from the Date of Grant to the date on which all Share Options are exercised or cancelled, and shall not exceed 48 months from the Date of Grant. Share Options not exercised will lapse after the Validity Period.

(2) Vesting Period

Vesting Period represents the period from the Date of Grant to the Exercise Date of a Share Option. The granted Share Options will be vested in the relevant Participants in two tranches. The Vesting Period of 50% of the granted Share Options is 16 months, and that of the remaining 50% is 28 months.

During the Vesting Period, the Participants shall not exercise the Share Options granted under the Scheme.

(3) Exercise Date

The Share Options granted shall be exercisable after expiry of 16 months commencing from the Date of Grant. The Exercise Date must be a trading day and shall not fall within any of the following periods:

- (I) the period commencing from fifteen days prior to the publication of annual reports and interim reports of the Company, or in the event of delay in publishing the annual reports and interim reports for special reasons, fifteen days prior to the original date of publication and up to the day before the publication of annual reports and interim reports;
- (II) the period commencing from five days prior to the publication of the announcement of quarterly reports, results forecast and preliminary results of the Company;
- (III) the period commencing from the date of occurrence of any significant event which may have significant effect on the trading prices of the Company's securities and their derivatives or the date on which relevant decision-making procedures start and ending on the publication date in accordance with laws; and
- (IV) other periods as stipulated by the CSRC, the Shanghai Stock Exchange and the Hong Kong Stock Exchange.

If the relevant laws, administrative regulations and departmental rules have other provisions on the period during which the Exercise is not allowed, the new relevant provisions shall prevail.

On the Exercise Date, upon the fulfilment of the Conditions of Exercise required by the Scheme, the Participants shall exercise the Share Options according to the arrangement set out in the following table:

Exercise Period	Exercise Time	Exercise Proportion
First Exercise Period	Commencing on the first trading day after expiry of 16 months from the Date of Grant and ending on the last trading day of 28 months from the Date of Grant	50%
Second Exercise Period	Commencing on the first trading day after expiry of 28 months from the Date of Grant and ending on the last trading day of 40 months from the Date of Grant	50%

For Share Options that have not been applied for Exercise or cannot be applied for Exercise due to failure to meet the Conditions of Exercise during the Exercise Period, the relevant Share Options shall no longer be exercisable and shall not be deferred to become exercisable in the next Exercise Period, and the Company will cancel such Share Options in accordance with the principles of the Scheme.

The number of individual effective Share Options of Participants shall be adjusted according to the individual comprehensive appraisal and assessment for the year of assessment.

(4) Lock-up period

The lock-up period refers to the timeframe during which the Participants are restricted from selling the shares they receive upon Exercise. The lock-up arrangement under the Scheme shall be implemented in accordance with the Company Law, the Securities Law and other relevant laws, regulations and regulatory documents as well as the requirements of the Articles of Association. Specific requirements are as follows:

- (I) Where a Participant is a Director or a member of the senior management of the Company, the number of Shares of the Company which may be transferred by the Participant each year during his/her term of office as determined upon his/her appointment shall not exceed 25% of the total number of the Shares of the Company held by him/her. No Shares of the Company held by him/her shall be transferred within six months after his/her termination of office;

- (II) Where a Participant is a Director or a member of the senior management of the Company and their spouses, parents or children, and he/she disposes of any Shares of the Company within six months after acquisition or buys back such Shares within six months after disposal, all gains arising therefrom shall be accounted to the Company and the Board will collect all such gains;
- (III) shareholding reduction by a Participant shall be in compliance with relevant regulations including the Interim Measures for the Administration of Shareholding Reduction by Shareholders of Listed Companies (上市公司股東減持股份管理暫行辦法) issued by the CSRC and Guidelines No. 15 of Shanghai Stock Exchange for Self-Regulation of Listed Companies — Reduction of Shareholdings by Shareholders, Directors and Senior Management (上海證券交易所上市公司自律監管指引第15號 — 股東及董事、高級管理人員減持股份); and
- (IV) if, during the Validity Period of the Scheme, there is any amendment to the requirements regarding transfer of Shares by a Director or a member of the senior management of the Company under the Company Law, the Securities Law and other relevant laws, regulations, regulatory documents and the Articles of Association, then such Participants shall comply with such amended requirements when transferring the Shares of the Company held.

(5) Conditions of Exercise and clawback mechanism

The Participants shall satisfy the following conditions to exercise the Share Options granted:

- (I) there is no occurrence of any of the following on the part of the Company:
 - a. issuance of an auditors' report with an adverse opinion or a disclaimer of opinion by certified public accountants in respect of the Company's financial accounting report for the most recent accounting year;
 - b. issuance of an auditors' report with an adverse opinion or a disclaimer of opinion by certified public accountants in respect of the Company's internal control over financial reporting for the most recent accounting year;
 - c. circumstances under which, within the most recent 36 months after listing, the Company fails to distribute profits in accordance with relevant laws and regulations, the Articles of Association or any undertaking publicly made;
 - d. prohibition from implementation of any equity incentives under laws and regulations; or
 - e. any other circumstances as prescribed by the CSRC; and

(II) there is no occurrence of any of the following on the part of the Participants:

- a. the Participant has been deemed as an inappropriate candidate by the Shanghai Stock Exchange in the last 12 months;
- b. the Participant has been deemed as an inappropriate candidate by the CSRC or any of its derived agencies in the last 12 months;
- c. the Participant has been imposed by the CSRC or any of its derived agencies with administrative penalties or a ban from entry into the securities market due to material breach of laws and regulations in the last 12 months;
- d. the Participant is prohibited from acting as a director or a member of the senior management of a company under the Company Law;
- e. the Participant is not allowed to participate in any equity incentives of a listed company under laws and regulations; or
- f. any other circumstances as prescribed by the CSRC.

(III) performance targets on company level are fulfilled, details of which are as follows:

- a. a Participant granted with Share Options under the Scheme will be assessed annually and the exercising of Share Options shall be conducted annually for two accounting years during the Exercise period, subject to the achievement of the performance target by the Participant which is one of the Conditions of Exercise of the Share Options. The annual company-level performance appraisal targets for Share Options granted under the Scheme are as follows:

Exercise Period	Performance Appraisal Target
First Exercise Period	Based on the revenue in 2025, the revenue growth rate for 2026 shall not be less than 10%
Second Exercise Period	Based on the revenue in 2025, the revenue growth rate for 2027 shall not be less than 20%

- b. in the event the Company fails to meet the performance appraisal targets above, all Share Options granted to the Participants in the respective appraisal year shall not be exercised and shall be cancelled by the Company;

(IV) performance targets on the business line level are achieved, details of which are as follows:

- a. during the implementation of the Scheme, the Company will, each year, in accordance with the Administrative Measures for the Implementation and Appraisal of the 2025 Share Option Incentive Scheme of Jiangsu Lopal Tech. Group Co., Ltd. and other relevant internal assessment rules, set annual assessment targets for the business line to which each Participant belongs, taking into account the Company's annual performance assessment objectives;
- b. achieving the annual performance assessment targets on the business line level will constitute one of the Conditions of Exercise for the Participants for that year; and
- c. the specific annual performance assessment targets on the business line level and the exercisable proportion shall be implemented in accordance with the relevant agreements for grant entered into between the Company and the Participants; and

(V) performance targets on the individual level are achieved, details of which are as follows:

- a. each Participant will undergo an annual individual performance assessment, which will be organised and implemented in accordance with the Company's prevailing remuneration and assessment policies;
- b. the proportion of exercisable options will be determined based on the assessment results;

Assessment Result	Qualified	Unqualified
Exercise Ratio	1	0
c. if the Company's performance target at the company level is met in a given year, the number of Share Options that an individual Participant may exercise for that year = Share Options corresponding to that Exercise Period for the individual × business line exercise ratio × individual exercise ratio; and		

- d. any Share Options that cannot be exercised by a Participant in a given year due to the assessment results shall be cancelled by the Company and shall not be carried forward to the subsequent year.

If any of the events specified in (I) above occurs on the part of the Company, all Share Options granted to the Participants according to the Scheme but not exercised shall be cancelled by the Company.

If any of the events specified in (II) above occurs on the part of a Participant, the Share Options granted to such Participant according to the Scheme but not exercised shall be cancelled by the Company.

In addition, the Scheme also has a clawback mechanism to guard against potential severe misfeasance of the Participants where the Share Options granted to such Participants which are not yet exercised shall not be exercised and shall be cancelled by the Company, details of which are set out in the section paragraph “M. Handling of Special Occasions of the Company and Participants — II. Handling of changes in the personal circumstances of the Participants” in Appendix I to the Circular.

- 8. **Financial assistance:** There is no arrangement for the Group to provide any financial assistance to the Participants to facilitate the purchase of Shares under the Scheme.

VERIFICATION OF THE LIST OF PARTICIPANTS BY THE REMUNERATION AND EVALUATION COMMITTEE

The Remuneration and Evaluation Committee of the Board confirmed that it has verified the Date of Grant and the list of approved Participants under the 2025 Share Option Incentive Scheme.

IMPACT ON THE COMPANY'S OPERATING CAPACITY AND FINANCIAL CONDITIONS AFTER THE GRANT OF THE SHARE OPTIONS

In accordance with the relevant requirements of the Accounting Standards for Business Enterprises No. 11 — Share-Based Payments (《企業會計準則第11號 — 股份支付》) and the Accounting Standards for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments (《企業會計準則第22號 — 金融工具確認和計量》), the Company shall, on each balance sheet date during the Vesting Period, adjust the estimated number of Share Option that may be exercised in accordance with the latest number of the Participants who have fulfilled the exercise conditions and the performance indicators, and recognize the services received during the period as the relevant costs or expenses and capital reserve in accordance with the fair value of the Shares Option on the Date of Grant.

The Company selects the Binary Tree Model to measure the fair value of Share Options and confirms the share-based payment expenses of the Scheme. Such expenses will be amortised in proportion to the exercise ratio during the implementation of the Scheme. The incentive costs arising from the Scheme will be included in recurring profits and losses.

The Company granted the Share Options on January 5, 2026. Assuming that all the Participants meet the Conditions of Exercise stipulated in the Scheme and exercise all their Share Options within each Exercise Period, the amortisation of costs of the Share Options from 2026 to 2028 is shown in the table below:

Number of the Share Options under the Scheme (0'000)	Total costs to be amortised (RMB0'000)	2026 (RMB0'000)	2027 (RMB0'000)	2028 (RMB0'000)
685	5,931.33	3,419.64	2,055.78	455.91

Notes:

1. The above cost amortisation forecast does not represent the final accounting costs. The actual accounting costs are not only related to the actual Date of Grant, the closing price on the Date of Grant, and the number of Share Options granted, but are also related to the actual number of Share Options available for exercise and lapsed. Shareholders are also advised to pay attention to the potential dilutive effect.
2. The final impact of the above on the Company's operating results will be subject to the audit report issued by the accounting firm for the year.

Based on the Company's preliminary estimate with current information, without considering the stimulating effect of the Scheme on the Company's performance, the amortisation of incentive costs will have an impact on the net profit of each year during the Vesting Period of the Scheme, but the impact is controllable. Taking into consideration the positive impact of the Scheme on the development of the Company, such as motivating the Participants, and increasing the operational efficiency, the benefits generated from the improvement in the results due to the Scheme shall exceed the increase in expenses.

CONCLUDING OBSERVATIONS OF THE LEGAL OPINION OF THE PRC LAWYER

Grandall Law Firm (Shanghai) has issued the following opinion:

As at the date of this legal opinion, the necessary approval and authorization at this stage for the Scheme and the Grant have been obtained, and comply with the relevant provisions of the Administrative Measures and the Share Option Incentive Scheme (Draft). The Date of Grant, grantees, grant quantity, and exercise price of the Scheme of the Company comply with the relevant provisions of the Administrative Measures and the Share Option Incentive Scheme (Draft). As of the date of this legal opinion, neither the Company nor the Participants have encountered circumstances that would prevent the grant of Share Options to the Participants. The Conditions of Grant of the Company's Share Options have been satisfied, and the Company's grant of Share Options to the Participants complies with the relevant provisions of the Administrative Measures and the Share Option Incentive Scheme (Draft). The Company still needs to fulfill corresponding information disclosure obligations and complete grant registration procedures in accordance with relevant laws, regulations, and normative documents.

SHARES AVAILABLE FOR FURTHER GRANT

The total number of Shares to be issued under the Scheme and under the Share Options that can be granted under the Scheme within the Validity Period is 6,850,000 A Shares. After the Grant of 6,850,000 Share Options as disclosed in this announcement, no new Shares is available for grant under the Scheme.

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

Nanjing, PRC
January 6, 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; and Mr. LI Qingwen, Mr. YE Xin, Ms. GENG Chengxuan and Mr. HONG Kam Le as independent non-executive Directors.