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成都四威科技股份有限公司

CHENGDU SIWI SCIENCE AND TECHNOLOGY COMPANY LIMITED

(a sino-foreign joint stock company incorporated in the People's Republic of China)

(Stock Code: 1202)

INSIDE INFORMATION
PROPOSED USE OF RESERVES TO OFFSET LOSSES

This announcement is made by Chengdu SIWI Science and Technology Company Limited (the "**Company**") pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The board (the "**Board**") of directors (the "**Director(s)**") of the Company hereby announces that the Board has considered and approved, among others, the resolution in relation to the use of reserves to offset losses at the Board meeting held on 27 November 2025.

BASIC INFORMATION FOR USING RESERVES TO OFFSET LOSSES

According to the audit conducted by Moore, as of 31 December 2024, the financial statements of the Company recorded accumulated losses of RMB272 million, surplus reserves was RMB8.7 million (of which statutory surplus reserves was RMB8.7 million and discretionary surplus reserves was RMB0, and capital reserves was RMB571 million. The accumulated losses of the Company were mainly attributable to the Company's slow business transformation, lagging product iterations, insufficient profitability, and the continuous accumulation of losses, resulting in the Company's failure to capitalize on the opportunities in the optical communications industry between 2012 and 2021.

In accordance with the relevant provisions of the Company Law of the People's Republic of China, the Notice on Financial Treatment Issues Following the Implementation of the Company Law and the Foreign Investment Law (《關於公司法、外商投資法施行後有關財務處理問題的通知》) issued by the Ministry of Finance of the PRC and other relevant laws, regulations and normative documents, as well as the relevant provisions of the articles of association of the Company, the Company proposes to use, in sequence, the surplus reserves of RMB8.7 million and capital reserves of RMB571 million, totalling RMB579.7 million to offset the Company's accumulated losses. The use of reserves to offset losses is limited to offsetting the Company's accumulated losses as of the end of 2024 to zero.

The capital reserves to be used to offset the Company's accumulated losses arises from the capital (share capital) premium generated by shareholders' contributions in cash, equity, etc. It is not exclusive to specific shareholders or designated for restricted purposes.

IMPACTS OF USING RESERVES TO OFFSET LOSSES ON THE COMPANY

Upon completion of the plan to offset losses with reserves, the capital reserves of the Company will be reduced to RMB307.7 million, while the accumulated losses will be reduced to zero.

The Company's implementation of the plan to use reserves to offset losses will enable the Company to fulfill profit distribution conditions stipulated in relevant laws and regulations and the articles of association of the Company, and thus enhance investor returns and support the Company's high-quality development.

GENERAL

The aforementioned resolution in relation to the proposed use of reserves to offset losses is subject to consideration and approval by the shareholders of the Company at the general meeting of the Company (the "**General Meeting**") by way of ordinary resolution.

A circular containing, among others, details of the proposed use of reserves to offset losses together with a notice of the General Meeting, will be published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (http://www.cdc.com.cn) in due course.

By the order of the Board
Chengdu SIWI Science and Technology Company Limited
Li Tao
Chairman

Chengdu, the PRC, 27 November 2025

As at the date of this announcement, the Board comprises:

Executive Directors:	Ms. Li Tao *(Chairman)* Mr. Wu Xiaodong
Non-executive Directors:	Mr. Li Qiangbin Mr. Xu Jiaxin Mr. Xu Ningbo Mr. Zeng Li
Independent Non-executive Directors:	Ms. Fu Wenjie Mr. Kang Yiguo Mr. Li Shaorong