Black Sesame International Holding Limited
黑芝麻智能國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2533)

MAJOR TRANSACTION
ACQUISITION OF 60% EQUITY INTEREST IN THE TARGET COMPANY THROUGH EQUITY TRANSFER AND CAPITAL INCREASE

THE AGREEMENTS

The Equity Transfer Agreement

The Board is pleased to announce that on December 31, 2025 (after trading hours), Black Sesame Wuhan (an indirectly wholly-owned subsidiary of the Company), the Vendors, the Management Shareholders and the Target Company entered into the Equity Transfer Agreement, pursuant to which the Purchasers agreed to purchase, and the Vendors agreed to sell, an aggregate of 32.8435% equity interest in the Target Company (representing 19.5623% of the enlarged total equity interest of the Target Company following the Capital Increase), at a total consideration of RMB457,800,000, and the Purchasers shall pay the corresponding unpaid registered capital of RMB133,088 to the Target Company.

The Capital Increase Agreement

The Board is pleased to announce that on December 31, 2025 (after trading hours), the SPV (an indirectly wholly-owned subsidiary of the Company), the Management Shareholders, the Existing Shareholders, the Employees Partnerships and the Target Company entered into the Capital Increase Agreement, pursuant to which the SPV subscribed for the newly increased registered capital in the Target Company of RMB20,218,838 (representing 40.4377% of the total enlarged equity interest of the Target Company following the Capital Increase) at the price of RMB20,218,838.

The completion of the Equity Transfer and the Capital Increase is inter-conditional. Upon the completion of the Equity Transfer and the Capital Increase, the Company will indirectly own 60% equity interest in the Target Company through the SPV and the Target Company will become a non-wholly-owned subsidiary of the Company, and its financial results will be consolidated into the Group's consolidated financial statements.

The Management Agreement

In connection with the Equity Transfer and the Capital Increase, on December 31, 2025, the Company, the Management Shareholders, the Employees Partnerships and the Target Company entered into the Management Agreement in relation to the management of the businesses of the Target Company (including matters such as the Performance Commitment).

LISTING RULES IMPLICATIONS

Since both the Equity Transfer Agreement and the Capital Increase Agreement were entered into within a 12-month period and the nature of both transactions involves the acquisition of equity interests in the Target Company, pursuant to Rule 14.22 of the Listing Rules, the Equity Transfer and the Capital Increase shall be aggregated and treated as a single transaction.

As the highest applicable percentage ratio after aggregating the Equity Transfer and the Capital Increase exceeds 25% but is less than 100%, the Equity Transfer and the Capital Increase constitute a major transaction for the Company under Chapter 14 of the Listing Rules, and are subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The Company will convene the EGM to consider and, if thought fit, to approve the Agreements and the transactions contemplated thereunder.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder or any of their respective close associates has a material interest in the Agreements and the transactions contemplated thereunder and is required to abstain from voting at the EGM for approving the Agreements and the transactions contemplated thereunder.

A circular containing, among other things, (i) further details of the Agreements and the transactions contemplated thereunder; (ii) other information required to be disclosed under the Listing Rules; and (iii) a notice of the EGM, is expected to be despatched by the Company to the Shareholders in accordance with Listing Rules on or before March 10, 2026, as additional time will be required to prepare the relevant information to be included in the circular.

Shareholders and potential investors of the Company should note that completion of the Equity Transfer and the Capital Increase is subject to the satisfaction and/or, where applicable, waiver of the conditions as set out in the Equity Transfer Agreement and the Capital Increase Agreement, respectively. As the Equity Transfer and the Capital Increase may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

INTRODUCTION

The Board is pleased to announce that on December 31, 2025 (after trading hours), Black Sesame Wuhan (an indirectly wholly-owned subsidiary of the Company), the Vendors, the Management Shareholders and the Target Company entered into the Equity Transfer Agreement, pursuant to which the Purchasers agreed to purchase, and the Vendors agreed to sell, an aggregate of 32.8435% equity interest in the Target Company (representing 19.5623% of the enlarged total equity interest of the Target Company following the Capital Increase), at a total consideration of RMB457,800,000, and the Purchasers shall pay the corresponding unpaid registered capital of RMB133,088 to the Target Company.

On December 31, 2025 (after trading hours), the SPV (an indirectly wholly-owned subsidiary of the Company), the Management Shareholders, the Existing Shareholders, the Employees Partnerships and the Target Company entered into the Capital Increase Agreement, pursuant to which the SPV subscribed for the newly increased registered capital in the Target Company of RMB20,218,838 (representing 40.4377% of the total enlarged equity interest of the Target Company following the Capital Increase) at the price of RMB20,218,838.

The completion of the Equity Transfer and the Capital Increase is inter-conditional. Upon the completion of the Equity Transfer and the Capital Increase, the Company will indirectly own 60% equity interest in the Target Company through the SPV and the Target Company will become a non-wholly-owned subsidiary of the Company, and its financial results will be consolidated into the Group's consolidated financial statements.

In connection with the Equity Transfer and the Capital Increase, on December 31, 2025, the Company, the Management Shareholders, the Employees Partnerships and the Target Company entered into the Management Agreement in relation to the management of the businesses of the Target Company (including matters such as the Performance Commitment).

THE AGREEMENTS

(1) The Equity Transfer Agreement

A summary of the principal terms of the Equity Transfer Agreement is set out below:

Date

December 31, 2025

Parties

(i) Black Sesame Wuhan;

(ii) the Vendors;

(iii) the Management Shareholders; and

(iv) the Target Company

All the above parties agreed that the SPV shall act as the transferee for the Equity Transfer and acquire all of the Sale Equity. Before the completion of the Equity Transfer, Black Sesame Wuhan shall procure the SPV to deliver a declaration of accession to the Equity Transfer Agreement to the other parties, pursuant to which the SPV would (a) accede to the Equity Transfer Agreement and become a party thereto, and (b) hold all of the Sale Equity upon completion of the Equity Transfer.

Subject matter

Pursuant to the Equity Transfer Agreement, the Purchasers conditionally agreed to purchase, and the Vendors conditionally agreed to sell, an aggregate of 32.8435% equity interest in the Target Company (representing 19.5623% of the enlarged total equity interest of the Target Company following the Capital Increase).

Consideration and payment

The total consideration for the Equity Transfer is RMB457,800,000, and the Purchasers shall pay the corresponding unpaid registered capital of RMB133,088 to the Target Company. Details of the equity interests in the Target Company to be transferred by each Vendor to the Purchasers and the respective sale consideration are set out below:

No.	**Name of Vendor**	**Registered Capital Corresponding to the Equity Interests to Be Sold** *(RMB'0,000)*	**Shareholding Percentage** *(%)*	**Sale Consideration** *(RMB)*
1	Chongqing Jichuang	256.53070	8.6139	42,700,000
2	Intel Products	138.62160	4.6547	60,000,000
3	Hengqin Lingjun	115.36350	3.8737	70,000,000
4	Guangdong Wenrun Zhenxin No. 2	66.01180	2.2166	49,600,000
5	Jiangsu Datai	55.17110	1.8526	8,000,000
6	Li Lijun	53.23530	1.7875	40,000,000
7	Jiaxing Jiayong	39.92650	1.3407	30,000,000
8	Chengdu Maiqiu	39.92650	1.3407	30,000,000
9	Ningbo Yaji	32.96100	1.1068	20,000,000
10	Jiangsu Shengyu	26.61770	0.8938	20,000,000
11	Wenrun Growth No. 1	26.61770	0.8938	20,000,000
12	Zhuhai Science and Technology	24.72070	0.8301	15,000,000
13	Sanqi Lexin	19.96320	0.6703	15,000,000
14	Suzhou Hengtong	19.79225	0.6646	10,000,000

No.	Name of Vendor	Registered Capital Corresponding to the Equity Interests to Be Sold *(RMB'0,000)*	Shareholding Percentage *(%)*	Sale Consideration *(RMB)*
15	Nantong Tongzhou	13.79280	0.4631	2,000,000
16	Shanghai Datai	13.30880	0.4469	0 (nil consideration)[Note]
17	Jiaxing Yueyi	13.30880	0.4469	10,000,000
18	Zhuhai Port Kerui No.3	13.15840	0.4418	9,886,993
19	Zhuhai Port Datai	8.24025	0.2767	5,000,000
20	Hengqin Qichuang	0.53240	0.0179	400,000
21	Zhuhai Fukunyi	0.31520	0.0106	213,007

Note: As of the date of this announcement, Shanghai Datai has not yet paid up its subscribed registered capital. Accordingly, after arm's length negotiation, the parties agreed that Shanghai Datai shall sell its 0.4469% equity interest in the Target Company to the Purchasers for nil consideration, and the Purchasers shall assume the paid-in obligations corresponding to such equity interest.

The Purchasers shall make payment of the aforementioned consideration to the Vendors in a lump sum within 30 business days after the date on which the conditions precedent have been fulfilled (or waived) and the relevant necessary registration and the approval procedures of the Stock Exchange (if any) have been completed.

The Purchasers proposes to satisfy the payment of the consideration by using internal resources and/or bank financing of the Group.

The consideration for the Equity Transfer was determined after arm's length negotiations between the Purchasers and the Vendors on normal commercial terms with reference to (i) the original subscription price at which each Vendor (except Shanghai Datai) subscribed for the relevant equity interests in the Target Company at different financing stages of the Target Company; (ii) the appraised value of the 100% equity interest in the Target Company of approximately RMB800.87 million as at the Valuation Date, further details of which are set out in the section headed "Valuation of the Target Company"; (iii) the historical financial performance of the Target Company for the two years ended December 31, 2023 and 2024; and (iv) the prospect of the Target Company and the potential synergies between the Target Company and the Group as assessed by the Group, further details of which are set out in the section headed "Reasons for and benefits of the Acquisition".

Conditions precedent

The Equity Transfer is conditional upon the satisfaction or waiver (where applicable) of the conditions precedent, including, among others:

(i) all consents and approvals (if any) required for the execution, delivery or performance of the Equity Transfer Agreement by the Vendors and the consummation of the transactions contemplated thereunder have been obtained and maintained in full force and effect;

(ii) resolutions of the board of directors and shareholders of the Target Company approving the Equity Transfer Agreement and the Equity Transfer have been passed;

(iii) parties to the Equity Transfer Agreement have successfully completed the signing of the documents relevant to the Equity Transfer, including but not limited to the Equity Transfer Agreement, the new articles of association of the Target Company and all other industrial and commercial registration materials related to the Equity Transfer;

(iv) the existing shareholders of the Target Company have waived their pre-emptive rights and other similar rights in relation to the Equity Transfer;

(v) the Target Company has completed the industrial and commercial registration and filings in respect of the Equity Transfer and the Capital Increase, and according to the shareholding structure of the Target Company as recorded in the industrial and commercial registration, the Purchasers has acquired a controlling interest (i.e. an equity interest of 51% or more) in the Target Company. Furthermore, the parties agree that such industrial and commercial registration of changes shall only be carried out after the completion of the matters described in paragraphs (vi) and (ix) below;

(vi) the Target Company has completed the rectification of each of the issues identified by the Purchasers during the due diligence of the Target Company and obtained the written approval of the Purchasers, or has formulated a rectification plan which is satisfactory to the Purchasers and confirmed in writing by the Purchasers;

(vii) other customary conditions;

(viii) the Target Company and the Vendors have issued to Black Sesame Wuhan a letter of confirmation for closing confirming all of the above conditions precedent have been satisfied (or waived by the Purchasers); and

(ix) Black Sesame Wuhan has completed all reasonable and necessary procedures for the Equity Transfer, including but not limited to obtaining the approval from the Shareholders as well as reporting to and approvals of the Stock Exchange (if required), and completion of the financing for the Equity Transfer. For the avoidance of doubt, upon completion of the aforementioned procedures and financing by Black Sesame Wuhan, a written confirmation shall be issued by Black Sesame Wuhan to the Target Company and the Vendors.

Closing

Closing shall occur on the date when the Target Company has completed the registration or filing of the change of market entity with the competent market supervision and regulatory authority, provided that, the completion of the Equity Transfer and the Capital Increase is inter-conditional and will occur at the same time.

Termination

The Equity Transfer Agreement may be terminated:

(i) by mutual consent of all the parties under the Equity Transfer Agreement;

(ii) by Black Sesame Wuhan, if any of the Vendors fails to perform his/her/its obligations under the Equity Transfer Agreement (for whatever reason) and still fails to take remedial measures within a reasonable period specified in writing by the Purchasers after receiving written reminders by the Purchasers, thereby constituting a repudiatory breach of contract. For the avoidance of doubt, a repudiatory breach of contract includes, but is not limited to, (a) any default that prevents the Purchasers from acquiring all the Sale Equity; (b) any default that prevents the Purchasers from acquiring a controlling stake in the Target Company; and (c) any default that is proven to cause economic losses (including direct or indirect economic losses) to the Target Company in excess of 5% of its audited total assets of the previous year;

(iii) by the Vendors, if the Purchasers fails to pay the consideration for the Equity Transfer on time as stipulated in the Equity Transfer Agreement, and the payment is overdue by 30 days or more;

(iv) by any of the parties, if any of the conditions precedent fail to be satisfied (or waived by Black Sesame Wuhan) by March 31, 2026, unless otherwise agreed in writing by the parties; or

(v) by any of the parties, if the reasons preventing the Purchasers from legally and lawfully paying the entire consideration for the Equity Transfer within the time limit as required by the Equity Transfer Agreement have not been eliminated by March 31, 2026.

(2) The Capital Increase Agreement

A summary of the principal terms of the Capital Increase Agreement is set out below:

Date

December 31, 2025

Parties

(i) the SPV;

(ii) the Management Shareholders;

(iii) the Existing Shareholders;

(iv) the Employees Partnerships; and

(v) the Target Company

Subject matter

Pursuant to the Capital Increase Agreement, it has been conditionally agreed that the SPV will subscribe for the newly increased registered capital in the Target Company of RMB20,218,838 (representing 40.4377% of the total enlarged equity interest of the Target Company following the Capital Increase) at the price of RMB20,218,838.

Upon the completion of the Equity Transfer and the Capital Increase, the Company will indirectly own 60% equity interest in the Target Company through the SPV.

Consideration and payment

The consideration for the Capital Increase is RMB20,218,838. The SPV shall make payment of the aforementioned consideration to the Target Company within 15 working days after the conditions precedent have been fulfilled (or waived by the SPV).

The SPV proposes to satisfy the payment of the consideration by using internal resources and/or bank financing of the Group.

Under the Capital Increase, the SPV will subscribe for the newly increased registered capital at a price of RMB1 for each RMB1 of newly increased registered capital. Such price was determined after arm's length negotiations between the SPV and the other parties on normal commercial terms with reference to (i) the appraised value of the 100% equity interest in the Target Company of approximately RMB800.87 million as at the Valuation Date, further details of which are set out in the section headed "Valuation of the Target Company"; (ii) the total consideration for the Equity Transfer; (iii) the historical financial performance of the Target Company for the two years ended December 31, 2023 and 2024; and (iv) the prospect of the Target Company and the potential synergies between the Target Company and the Group as assessed by the Group, further details of which are set out in the section headed "Reasons for and benefits of the Acquisition".

Conditions precedent

The Capital Increase is conditional upon the satisfaction (or waiver by the SPV) of the conditions precedent, including, among others:

(i) the transaction documents relating to the Capital Increase have been legally and validly signed by all parties, and all parties have signed the new articles of association of the Target Company effective upon the completion of the Capital Increase or the contents of the new articles of association have been confirmed by the SPV;

(ii) the Target Company has completed the rectification of the issues identified by the SPV during the due diligence of the Target Company and obtained the written approval of the SPV, or has formulated a rectification plan which is satisfactory to the SPV and confirmed in writing by the SPV;

(iii) the shareholders' meeting of the Target Company has resolved to approve the Capital Increase by the SPV in monetary form pursuant to the requirements of the Capital Increase Agreement to acquire the Subscription Equity;

(iv) the SPV has completed the industrial and commercial registration of changes in respect of the Equity Transfer and the Capital Increase; and

(v) other customary conditions.

Closing

Closing shall occur on the date when the payment of the consideration for the Capital Increase and the Target Company's business registration have been completed, provided that, the completion of the Equity Transfer and the Capital Increase is inter-conditional and will occur at the same time.

Termination

The Capital Increase Agreement may be terminated by mutual consent of all the parties under the Capital Increase Agreement.

The SPV has the right to terminate the agreement if:

(i) any of the conditions precedent fail to be satisfied (or waived by the SPV) within 45 days after the signing of the Capital Increase Agreement; or

(ii) the Target Company, the Management Shareholders, the Existing Shareholders or the Employees Partnerships fail to perform their obligations under the Capital Increase Agreement (for whatever reason) and still fail to do so within the period specified in writing by the SPV after receiving written reminders by the SPV, resulting in the Company's inability to subscribe for all the Subscription Equity.

(3) The Management Agreement

A summary of the principal terms of the Management Agreement is set out below:

Date

December 31, 2025

Parties

(i) the Company;

(ii) the Management Shareholders;

(iii) the Employees Partnerships; and

(iv) the Target Company

Overview of performance commitment

As an important part of the Acquisition, the Management Shareholders have made legally binding three-year Performance Commitments to the Company (including the three financial years ending December 31, 2026, 2027, and 2028) and established a clear mechanism closely linked to the performance achievement.

I. Performance commitment indicators

The Management Shareholders commit that the Target Company shall achieve the following financial indicators (after special audit adjustments):

(i) tax-inclusive operating revenue of the Target Company: not less than RMB300 million for the year ending December 31, 2026, not less than RMB400 million for the year ending December 31, 2027, not less than RMB500 million for the year ending December 31, 2028, and the aggregate for the above three financial years shall be not less than RMB1.2 billion; and

(ii) net profit of the Target Company: not less than RMB5 million for the year ending December 31, 2026, not less than RMB35 million for the year ending December 31, 2027, not less than RMB50 million for the year ending December 31, 2028, and the aggregate for the above three financial years shall be not less than RMB90 million.

II. Commitment fulfillment mechanism

Centering on the above core performance commitment indicators, the Management Agreement has established a two-level performance assessment mechanism:

Guarantee and Compensation Mechanism: If the actual performance of the Target Company fails to meet the basic requirements stipulated in the Management Agreement (for tax-inclusive operating revenue: less than RMB210 million for the year ending December 31, 2026, less than RMB280 million for the year ending December 31, 2027, or less than RMB350 million for the year ending December 31, 2028; for net profit: negative net profit for the year ending December 31, 2026, less than RMB14 million for the year ending December 31, 2027, or less than RMB20 million for the year ending December 31, 2028), the Management Shareholders shall fulfill the corresponding compensation liability by transferring the equity interest in the Target Company to the Group at a consideration of RMB1, so as to protect the interests of the Company and all Shareholders.

Incentive and Reward Mechanism: To fully motivate the Management Shareholders to create excess performance, other than the performance commitment indicators, the Management Agreement has separately set higher incentive targets for operating revenue (including not less than RMB550 million for the year ending December 31, 2028, and an aggregate of not less than RMB1.25 billion for the three financial years ending December 31, 2028). If the Target Company meets or exceeds such performance commitment indicators and incentive targets, the Management Shareholders shall be eligible to receive part in the equity interest in the Target Company as a reward.

Lock-up

Without the prior written consent of the Company, (i) the Management Shareholders and the Employees Partnerships shall not transfer their shares in the Target Company; and (ii) each of the Management Shareholders, being the general partner of each of the Employees Partnerships, shall ensure that the Employees Partnerships do not transfer their shares in the Target Company. If the Company consents to the transfer of shares in the Target Company by the Management Shareholders or the Employees Partnerships, the Company shall have a pre-emptive right to purchase all or part of the shares on the same terms as the other purchasers.

SHAREHOLDING STRUCTURE OF THE TARGET COMPANY

Details of the shareholding structure of the Target Company as at the date of this announcement and immediately after the completion of the Equity Transfer and the Capital Increase are set out below:

	As at the Date of this Announcement		Immediately after the Completion of the Equity Transfer and the Capital Increase	
Name of Shareholders	**Registered Capital** *(RMB'0,000)*	**Shareholding Percentage** *(%)*	**Registered Capital** *(RMB'0,000)*	**Shareholding Percentage** *(%)*
SPV	–	–	3,000.0000	60.0000
Vendors	978.1162	32.8435	–	–
Management Shareholders				
Chen Feng	680.0000	22.8332	680.0000	13.6000
Wu Lang	210.0000	7.0514	210.0000	4.2000
Shan Jun	210.0000	7.0514	210.0000	4.2000
Existing Shareholders				
Cai Zhenhua	100.0000	3.3578	100.0000	2.0000
Yu Zhenhui	100.0000	3.3578	100.0000	2.0000
Yan Zhi	50.0000	1.6789	50.0000	1.0000
Xiao Zhenliang	40.0000	1.3431	40.0000	0.8000
Yang Shaojun	24.0000	0.8059	24.0000	0.4800
Employees Partnerships				
Zhuhai Yihui	266.0000	8.9318	266.0000	5.3200
Zhuhai Yiju	160.0000	5.3725	160.0000	3.2000
Zhuhai Zhiju	160.0000	5.3725	160.0000	3.2000
Total	2,978.1162	100.0000	5,000.0000	100.0000

VALUATION OF THE TARGET COMPANY

The Company has engaged the Independent Valuer to conduct an independent valuation of the 100% equity interest in the Target Company as at the Valuation Date (the "**Valuation**"). According to the Valuation Report, the appraised value of the 100% equity interest in the Target Company as at the Valuation Date is approximately RMB800.87 million.

In arriving at this valuation, the Independent Valuer considered the Income Approach, the Asset-Based Approach and the Market Approach, and ultimately adopted the Market Approach as the valuation method for determining the enterprise value of the Target Company. The Independent Valuer is of the view that the price multiples of the comparable companies are derived from market consensus, and therefore the valuation result obtained using the Market Approach can reflect the market's expectations for the industry in which the Target Company operates. Currently, publicly listed companies with a nature and business similar to those of the Target Company can be identified from publicly available information in the domestic capital market. Thus, the necessary prerequisites for applying the Market Approach are satisfied, and the Listed Company Comparison Method under the Market Approach is deemed appropriate for the Valuation.

The reasons for not selecting the Asset-Based Approach for the Valuation are as follows: The Asset-Based Approach assumes that the assets and liabilities of the Target Company are separable and can be sold individually. This valuation method is more suitable for industries where assets are highly liquid, such as real estate development and financial institutions. Furthermore, the Asset-Based Approach measures enterprise value from the perspective of the replacement of the enterprise's current assets. It does not consider the incremental value generated by the enterprise's implicit advantages or its future development prospects, and thus cannot reflect the enterprise's overall earning capacity and the market's judgment of the enterprise's value. Therefore, the Asset-Based Approach is not appropriate for the Valuation.

The primary reasons for not selecting the Income Approach for the Valuation are as follows: The Income Approach considers the enterprise's future earning capacity, reflecting the combined earning capacity of various assets of the enterprise. The data used in the Income Approach relies more heavily on subjective judgments regarding the enterprise's future development expectations, involving numerous assumptions. Considering that inappropriate assumptions in the Income Approach could significantly impact the valuation result, and given that the data used in the Market Approach is more authentic, reliable, and yields a more objective valuation outcome, the Income Approach was not adopted for the Valuation.

Details of the Valuation Report (including key assumptions, input parameters and the detailed calculation process) will be set out in the circular to be dispatched by the Company to the Shareholders.

FINANCIAL INFORMATION OF THE TARGET COMPANY

The following table sets forth the financial information attributable to the Target Company for the two financial years ended December 31, 2023 and 2024 based on the unaudited financial statements prepared under IFRS.

	For the year ended December 31,	
	2023	**2024**
	(RMB'000)	
	(Unaudited)	(Unaudited)
Net loss before taxation	112,518	87,982
Net loss after taxation	112,523	87,986

According to the unaudited financial statements prepared in accordance with IFRS, the net liabilities of the Target Company as of June 30, 2025 was RMB697.09 million.

Since the outbreak of the COVID-19 pandemic, its impact on the global and Chinese economies has been markedly phased and persistent, exerting direct and significant phased disruptions on the Target Company's supply chain logistics, production scheduling, and market demand. Concurrently, the relatively lagging recovery in demand within traditional sectors, represented by consumer electronics, has further intensified the operational pressure on the Target Company, which led to key indicators such as net profit and net assets remaining at relatively low levels for the two financial years ended December 31, 2023 and 2024. At present, the Target Company's production and operational activities have fully returned to normal. Additionally, alongside the explosive growth of the on-device AI market, the Target Company's operating condition has improved significantly, and its business has achieved substantial progress.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is a leading automotive-grade intelligent vehicle computing SoC and SoC-based intelligent vehicle solution provider principally engaged in the sale of automotive-grade products and technologies. The Target Company focuses on the development and sales of high-cost-performance and low-power artificial intelligence (AI) system on chip (SoC) and solutions. The vast majority of the intellectual property (IP) used in its chip products, including image signal processor (ISP), neural processing unit (NPU) and analog IPs, has been developed in-house. It primarily provides full-stack solutions in fields such as automotive intelligence and on-device AI applications.

The Directors believe that the Acquisition will enable the Group to provide a full range of high, medium and low-end automotive-grade computing chips, offer full-scenario solutions for intelligent vehicles, and at the same time promote the Group's products to expand into a wider range of robotics and AI+ applications, providing a full range of AI inference chips and solutions.

Upon completion of the Acquisition, the Group and the Target Company expect to achieve significant synergies in the following aspects to enhance the business scale and financial performance, and further strengthen the Group's competitive advantage in the field of AI SoC chips:

I. In-vehicle Product Matrix and Customer Expansion Synergies

By integrating the Target Company's high-cost-performance, low-power chip products with the Group's mature algorithms and high-end chips, the parties will achieve full product line coverage and scalable revenue growth. The Target Company's chips will fill the Group's market gap in the field of the automotive mid-to-low computing-power chips. Leveraging the existing customer channels of both parties, and integrating their respective strengths in algorithms and solutions, the in-vehicle scenario will be extended to new intelligent applications such as DMS, front-view integrated machines and small domain control.

II. Robotics and AI+ Innovation Business Synergies

Under the Group's robotics business framework, the Target Company will promote the implementation of its AI SoC chips in lightweight robotics scenarios such as robotic vacuum cleaners and lawn mowers. The parties will also engage in innovative cooperation in AI+ emerging fields including smart home, smart entertainment, and smart education, jointly exploring diversified application scenarios in the robotics and AI+ sectors.

III. R&D, Supply Chain and Mass Production Synergies

The parties will enhance scale effects in wafer procurement, IP procurement, and other segments, effectively reducing production costs. For research and development of new chip project, the parties will achieve joint definition, joint development, and collaborative innovation, thereby optimizing resource allocation and accelerating technological breakthroughs. These synergistic effects will provide solid guarantees for large-scale mass production and delivery, comprehensively enhancing product competitiveness and market response efficiency.

As disclosed in the Company's annual report for the year ended December 31, 2024, the Group is committed to exploring growth opportunities in more edge-side and on-device AI application scenarios, promoting its layout and expansion in the global market to continuously increase its market share and revenue scale. Through the Acquisition, the Group expects to achieve a breakthrough in operating profit in the near future by realizing business synergies, optimizing cost structures, enhancing product competitiveness and expanding market share.

Based on the above, the Board (excluding the Director who is required to abstain from voting) considered that although the Equity Transfer, the Capital Increase and the Performance Commitment are not in the ordinary course of business of the Group given the nature of the transactions, the terms and conditions of the Agreements and the transactions contemplated thereunder are fair and reasonable and are entered into on normal commercial terms and in the interests of the Group and the Shareholders as a whole.

As Dr. Yang Lei, a non-executive Director, serves as a director of the Target Company, he has abstained from voting on the relevant Board resolutions approving the Acquisition. Save as disclosed above, none of the other Directors had any material interest in the relevant Board resolutions and none of the other Directors was required to abstain from voting in the relevant Board resolutions.

INFORMATION OF THE PARTIES

The Company and the Purchasers

The Company is an exempted company incorporated under the laws of Cayman Islands with limited liability on July 15, 2016, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2533). The principal business activity of the Company is investment holding. The Group is a leading automotive-grade intelligent vehicle computing SoC and SoC-based intelligent vehicle solution provider principally engaged in the sale of automotive-grade products and technologies.

Black Sesame Wuhan is an indirect wholly-owned subsidiary of the Company. It serves as the global headquarters of Black Sesame Technologies, undertaking the principal research and development and operational functions.

The SPV is a special purpose vehicle established by Black Sesame Wuhan for the Equity Transfer and the Capital Increase, and is an indirect wholly-owned subsidiary of the Company. It is primarily engaged in the business of investment holding as well as the research and development and sales related to on-device AI chips.

The Vendors

Chongqing Jichuang is a limited partnership incorporated in the PRC and is principally engaged in investment holding. It is owned as to 26.5% by Suzhou Jichuang Jinyuan Venture Capital Partnership (Limited Partnership) (蘇州極創槿源創業投資合夥企業(有限合夥)) (ultimately beneficially owned by Zhang Pengpeng (張朋朋)), 22.5% by Thunder Software Technology Co., Ltd. (中科創達軟件股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 300496), 18.75% by Chongqing Linkong Yuanxiang Equity Investment Fund Partnership (Limited Partnership) (重慶臨空遠翔股權投資基金合夥企業(有限合夥)) (ultimately beneficially owned by the State-owned Assets Supervision and Administration Commission of Yubei District, Chongqing Municipality), 18.75% by Chongqing Science and Technology Innovation Investment Group Co., Ltd. (重慶科技創新投資集團有限公司) (ultimately beneficially owned by Chongqing State-owned Assets Supervision and Administration Commission), and 13.5% by other partners (each of whom holds less than 10% of the interest therein). The general partner of Chongqing Jichuang is Chongqing Jichuang Junyuan Equity Investment Fund Management Partnership (Limited Partnership) (重慶極創君源股權投資基金管理合夥企業(有限合夥)) (holding 1% interest in Chongqing Jichuang and ultimately beneficially owned by Zhang Pengpeng). The ultimate beneficial owner of Chongqing Jichuang is Zhang Pengpeng.

Intel Products is a limited liability company incorporated in the PRC and is principally engaged in the design, research and development, manufacturing, pretreatment, processing, encapsulation, testing of microelectronics, semiconductor products and semi-finished products, materials, equipment, systems and spare parts, sales of self-produced products, and provision of after-sales service and technical support. It is owned as to 59.1281% by Intel (China) Co., Ltd. (英特爾(中國)有限公司) and 40.8719% by Intel Asia Holding Limited. Intel Corporation indirectly holds 100% equity interest in Intel Products and exercises actual control.

Hengqin Lingjun is a limited partnership incorporated in the PRC and is principally engaged in project investment, industrial investment and investment consulting. It is owned as to 12.987% by each of Xu Xianfeng (徐先鋒), Foshan New Pearl Enterprise Group Co., Ltd. (佛山市新明珠企業集團有限公司) (ultimately beneficially owned by Ye Delin (葉德林)) and Song Jiajun (宋佳駿), and 61.039% by other partners (each of whom holds less than 10% of the interest therein). The general partner of Hengqin Lingjun is Xu Xianfeng. The ultimate beneficial owner of Hengqin Lingjun is Xu Xianfeng.

Guangdong Wenrun Zhenxin No. 2 is a limited partnership incorporated in the PRC and is principally engaged in equity investment, investment management, asset management and other activities with private equity funds. It is owned as to 81.9369% by Wenrun Zhenxin No. 2 (Zhuhai) Equity Investment Fund Partnership (Limited Partnership) (溫潤振信貳號(珠海)股權投資基金合夥企業(有限合夥)) (controlled by Wens Foodstuff Group Co., Ltd. (溫氏食品集團股份有限公司) (a company listed on the ChiNext board of the Shenzhen Stock Exchange, stock code: 300498)) and 17.0406% by Zhongshan Torch Science and Technology Innovation Fund Management Center (Limited Partnership) (中山火炬科創基金管理中心(有限合夥)) (ultimately beneficially owned by Zhongshan Torch High-Tech Industrial Development Zone Management Committee). The general partner of Guangdong Wenrun Zhenxin No. 2 is Guangdong Wen's Investment Co., Ltd. (廣東溫氏投資有限公司) (holding 1.0224% interest in Guangdong Wenrun Zhenxin No. 2 and being a wholly-owned subsidiary of Wens Foodstuff Group Co., Ltd.). Guangdong Wenrun Zhenxin No. 2 is controlled by Wens Foodstuff Group Co., Ltd.

Jiangsu Datai is a limited partnership incorporated in the PRC and is principally engaged in venture capital and related consulting business. It is owned as to 19.51% by Yueda Capital Co., Ltd. (悦達資本股份有限公司) (ultimately beneficially owned by Yancheng Municipal People's Government), 14.63% by Jiangsu Hengtong Optic-Electric Co., Ltd. (江蘇亨通光電股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600487), and 65.86% by other partners (each of whom holds less than 10% of the interest therein). The general partner of Jiangsu Datai is Beijing Datai Venture Capital Management Co., Ltd. (北京達泰創業投資管理有限公司) (holding 1.46% interest in Jiangsu Datai and ultimately beneficially owned by Li Quansheng (李泉生)). The ultimate beneficial owner of Jiangsu Datai is Li Quansheng.

As at the date of this announcement, Li Lijun holds 1.7875% equity interest in the Target Company and is an individual investor.

Jiaxing Jiayong is a limited partnership incorporated in the PRC and is principally engaged in industrial investment and investment management. It is owned as to 99.9714% by Zhuhai Hengqin Lingrui Micro Investment Partnership (Limited Partnership) (珠海橫琴靈瑞微投資合夥企業(有限合夥)) (ultimately beneficially owned by Xu Xianfeng). The general partner of Jiaxing Jiayong is China Construction Investment Capital Management (Tianjin) Co., Ltd. (中建投資本管理(天津)有限公司) (holding 0.0286% interest in Jiaxing Jiayong and ultimately beneficially owned by the State Council of the People's Republic of China). The ultimate beneficial owner of Jiaxing Jiayong is Xu Xianfeng.

Chengdu Maiqiu is a limited partnership incorporated in the PRC and is principally engaged in venture capital, equity investment, and venture capital consulting services. It is owned as to 79.2079% by Yu Jingmei (喻靖媚), and 20.7921% by other partners (each of whom holds less than 10% of the interest therein). The general partner of Chengdu Maiqiu is Chengdu Maiqiuguyu Enterprise Management Partnership (Limited Partnership) (成都麥秋穀雨企業管理合夥企業(有限合夥)) (holding 0.9901% interest in Chengdu Maiqiu and ultimately beneficially owned by Yang Li (楊力)). The ultimate beneficial owner of Chengdu Maiqiu is Yang Li.

Ningbo Yaji is a limited partnership incorporated in the PRC and is principally engaged in enterprise management and consulting, information, technical and technology services and consulting. It is owned as to 80% by Gao Siying (高思瑩) and 20% by Gao Jincai (高進財). The general partner of Ningbo Yaji is Gao Jincai. The ultimate beneficial owner of Ningbo Yaji is Gao Jincai.

Jiangsu Shengyu is a limited partnership incorporated in the PRC and is principally engaged in venture capital and venture capital consulting. It is owned as to 20% by Nanjing Runke Industrial Investment Co., Ltd. (南京潤科產業投資有限公司) (ultimately beneficially owned by Lishui District Finance Bureau of Nanjing City (the State-owned Assets Supervision and Administration Office of People's Government of Nanjing Lishui)), 12% by Yingfutech National Emerging Industry Venture Capital Guidance Fund (Limited Partnership) (盈富泰克國家新興產業創業投資引導基金(有限合夥)) (ultimately beneficially owned by Liu Tingru (劉廷儒)), 10% by Nanjing Lishui Yida Industrial Investment Partnership (Limited Partnership) (南京市溧水毅達產業投資合夥企業(有限合夥)) (ultimately beneficially owned by Ying Wenlu (應文祿)), 10% by Danyang High-tech Venture Capital Co., Ltd. (丹陽市高新技術創業投資有限公司) (ultimately beneficially owned by Danyang State-owned Assets Operation Service Center), 10% by Nanjing Ronghong Jiayi Investment Partnership (Limited Partnership) (南京融泓嘉毅投資合夥企業(有限合夥)) (ultimately beneficially owned by Yan Wei (嚴偉)), 10% by Xi'an Tianli Investment Partnership (Limited Partnership) (西安天利投資合夥企業(有限合夥)) (controlled by Tianshui Huatian Technology Co., Ltd. (a company listed on the Shenzhen Stock Exchange, stock code: 002185)), and 28% by other partners (each of whom holds less than 10% of the interest therein). The general partner of Jiangsu Shengyu is Shanghai Shengyu Equity Investment Fund Management Co., Ltd. (上海盛宇股權投資基金管理有限公司) (holding 2% interest in Jiangsu Shengyu and ultimately beneficially owned by Zhu Jiangsheng (朱江聲)). The ultimate beneficial owner of Jiangsu Shengyu is Zhu Jiangsheng.

Wenrun Growth No. 1 is a limited partnership incorporated in the PRC and is principally engaged in equity investment, investment management, asset management and other activities with private equity funds. It is owned as to 59.5455% by Guangdong Wen's Investment Co., Ltd. (廣東溫氏投資有限公司), 21.7273% by Guangdong Xinzhou Investment Partnership (Limited Partnership) (廣東新州投資合夥企業(有限合夥)) (ultimately beneficially owned by Wen Pengcheng (溫鵬程)), and 18.7273% by Zhuhai Hengqin Wen's No. 8 Equity Investment Fund Partnership (Limited Partnership) (珠海橫琴溫氏捌號股權投資基金合夥企業(有限合夥)) (controlled by Wens Foodstuff Group Co., Ltd.). The general partner of Wenrun Growth No. 1 is Guangdong Wen's Investment Co., Ltd. (廣東溫氏投資有限公司). Wenrun Growth No. 1 is controlled by Wens Foodstuff Group Co., Ltd.

Zhuhai Science and Technology is a limited partnership incorporated in the PRC and is principally engaged in equity investment, investment management, asset management and other activities with private equity funds. It is owned as to 49.1667% by Zhuhai Hi-Tech Investment Industry Equity Investment Co., Ltd. (珠海高科金投產業股權投資有限公司) (ultimately beneficially owned by Zhuhai High-tech Industrial Development Zone State-owned Assets Supervision and Administration Office), 30% by Zhuhai Venture Capital Guidance Fund Co., Ltd. (珠海創業投資引導基金有限公司) (ultimately beneficially owned by State-owned Assets Supervision and Administration Commission of Zhuhai Municipal People's Government), 18.75% by Zhuhai Huashi Zhiyuan Investment Co., Ltd. (珠海華實智遠投資有限公司) (ultimately beneficially owned by the State-owned Assets Supervision and Administration Commission of Zhuhai Municipal People's Government), and 2.0833% by other partners. The general partner of Zhuhai Science and Technology is Zhuhai Kechuang Haisheng Venture Capital Fund Management Co., Ltd. (珠海科創海盛創業投資基金管理有限公司) (holding 1.25% interest in Zhuhai Science and Technology and ultimately beneficially owned by the State-owned Assets Supervision and Administration Commission of Zhuhai Municipal People's Government). The ultimate beneficial owner of Zhuhai Science and Technology is the State-owned Assets Supervision and Administration Commission of Zhuhai Municipal People's Government.

Sanqi Lexin is a limited partnership incorporated in the PRC and is principally engaged in investment activities with its own funds, information consulting services, financial consulting and venture capital. It is owned as to 71% by Anhui Taiyun Investment Management Co., Ltd. (安徽泰運投資管理有限公司) (controlled by Sanqi Interactive Entertainment Network Technology Group Co., Ltd. (三七互娛網絡科技集團股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 002555)), 20% by Guangzhou Emerging Industry Development Fund Management Co., Ltd. (廣州市新興產業發展基金管理有限公司) (ultimately beneficially owned by the State-owned Assets Supervision and Administration Commission of Guangzhou Municipal People's Government), and 9% by other partners. The general partner of Sanqi Lexin is Sanqi Interactive Entertainment Venture Capital Co., Ltd. (三七互娛創業投資有限公司) (holding 1% interest in Sanqi Lexin and controlled by Sanqi Interactive Entertainment Network Technology Group Co., Ltd.). Sanqi Lexin is controlled by Sanqi Interactive Entertainment Network Technology Group Co., Ltd.

Suzhou Hengtong is a limited partnership incorporated in the PRC and is principally engaged in venture capital. It is owned as to 40.0962% by Jiangsu Hengtong Optic-Electric Co., Ltd. (江蘇亨通光電股份有限公司), 26.6239% by Suzhou Tongyun Renhe Innovation Industry Investment Co., Ltd. (蘇州同運仁和創新產業投資有限公司) (ultimately beneficially owned by Wujiang Economic and Technological Development Zone Management Committee), and 33.2799% by other partners (each of whom holds less than 10% of the interest therein). The general partner of Suzhou Hengtong is Suzhou Datai Venture Capital Management Co., Ltd. (蘇州達泰創業投資管理有限公司) (holding 4.0096% interest in Suzhou Hengtong and ultimately beneficially owned by Li Quansheng). The ultimate beneficial owner of Suzhou Hengtong is Li Quansheng.

Nantong Tongzhou is a limited liability company incorporated in the PRC and is principally engaged in electronic chips, integrated circuit research and development, design, and technical services. It is owned as to 33.34% by Hong Jinjun (洪進軍) and 33% by each of Zhang Ting (張挺) and Zhou Yueping (周月萍). The actual controller of Nantong Tongzhou is Hong Jinjun.

Shanghai Datai is a limited liability company incorporated in the PRC and is principally engaged in investment management, asset management, and investment consulting (except finance and securities). It is wholly owned by Suzhou Datai Venture Capital Management Co., Ltd.

Jiaxing Yueyi is a limited partnership incorporated in the PRC and is principally engaged in equity investment and related consulting services. It is owned as to 44.5% by Song Lei (宋磊), 25% by Yin Qingyuan (殷慶元), and 10% by each of Liu Wanting (劉婉汀), Lu Xiaofan (盧曉帆) and Li Dailin (李岱霖). The general partner of Jiaxing Yueyi is Hainan Universal Gravity Private Equity Fund Management Co., Ltd. (海南萬有引力私募基金管理有限公司) (holding 0.5% interest in Jiaxing Yueyi and ultimately beneficially owned by Hu Zhiyong (胡智勇)). The ultimate beneficial owner of Jiaxing Yueyi is Hu Zhiyong.

Zhuhai Port Kerui No.3 is a limited partnership incorporated in the PRC and is principally engaged in private equity fund management and venture capital fund management services, and venture capital investment. It is owned as to 99.5% by Zhuhai Hi-Tech Investment Industry Equity Investment Co., Ltd. (珠海高科金投產業股權投資有限公司). The general partner of Zhuhai Port Kerui No.3 is Zhuhai Hi-Tech Venture Capital Investment Management Co., Ltd. (珠海高科金投創業投資管理有限公司) (holding 0.5% interest in Zhuhai Port Kerui No.3 and ultimately beneficially owned by Zhuhai High-Tech Industrial Development Zone State-Owned Assets Supervision and Administration Office). The ultimate beneficial owner of Zhuhai Port Kerui No.3 is Zhuhai High-Tech Industrial Development Zone State-Owned Assets Supervision and Administration Office.

Zhuhai Port Datai is a limited partnership incorporated in the PRC and is principally engaged in equity investment, investment management, asset management and other activities with private equity funds, and venture capital. It is owned as to 78.8294% by Ningbo Meishan Bonded Port Area Taiqiao Venture Capital Partnership (Limited Partnership) (寧波梅山保稅港區泰橋創業投資合夥企業(有限合夥)) (ultimately beneficially owned by Li Quansheng) and 19.9253% by Zhuhai Hi-Tech Investment Industry Equity Investment Co., Ltd. (珠海高科金投產業股權投資有限公司). The general partner of Zhuhai Port Datai is Suzhou Datai Venture Capital Management Co., Ltd. (holding 1.2453% interest in Zhuhai Port Datai). The ultimate beneficial owner of Zhuhai Port Datai is Li Quansheng.

Hengqin Qichuang is a limited partnership incorporated in the PRC and is principally engaged in equity investment, investment management, asset management and other activities with private equity funds, and venture capital. It is owned as to 45.8333% by Tan Yongjin (覃勇進), 14.1667% by Luo Yueting (羅月庭), 10.8333% by Wu Qingbing (吳慶兵) and 10.4167% by Huang Songde (黃松德) and 18.75% by other partners (each of whom holds less than 10% of the interest therein). The general partner of Hengqin Qichuang is Luo Yueting. The ultimate beneficial owner of Hengqin Qichuang is Luo Yueting.

Zhuhai Fukunyi is a limited liability company incorporated in the PRC and is principally engaged in enterprise management consulting, and information consulting services. Its ultimate beneficial owner is Qu Tongjun (苟彤軍).

The Management Shareholders

As at the date of this announcement, Chen Feng (陳峰) is the chairman of the board of directors of the Target Company, holding 22.8332% equity interest in the Target Company; Wu Lang (吳浪) is a director and general manager of the Target Company, holding 7.0514% equity interest in the Target Company; and Shan Jun (單軍) is a director of the Target Company, holding 7.0514% equity interest in the Target Company.

The Existing Shareholders

As at the date of this announcement, Cai Zhenhua (蔡振華), Yu Zhenhui (余振輝), Yan Zhi (嚴智), Xiao Zhenliang (肖振亮) and Yang Shaojun (楊少軍) hold 3.3578%, 3.3578%, 1.6789%, 1.3431% and 0.8059% the equity interest in the Target Company, respectively, and are individual investors.

The Employees Partnerships

Zhuhai Yihui, Zhuhai Yiju and Zhuhai Zhiju are limited partnerships incorporated in the PRC and are employee shareholding platforms of the Target Company. They are held by certain employees of the Target Company.

Shan Jun (單軍) is the general partner of, and has contributed approximately 18.0827% of the capital in, Zhuhai Yihui. Chen Feng (陳峰) is the general partner of, and has contributed approximately 19.4375% of the capital in, Zhuhai Yiju. Wu Lang (吳浪) is the general partner of, and has contributed approximately 17% of the capital in, Zhuhai Zhiju.

The Target Company

The Target Company is a limited liability company incorporated in the PRC on July 22, 2016. It is a leading systematic solution provider that focuses on artificial intelligence (AI) machine vision algorithms and system-on-chips (SoCs) design. It is dedicated to research and development of on-device AI SoCs with general computing power, offering system solutions with diversified computing power for different scenarios. The Target Company's product line mainly covers intelligent vehicles, intelligent hardware, and intelligent security.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendors, the Management Shareholders, the Existing Shareholders, the Employees Partnerships, the Target Company and their respective ultimate beneficial owners are Independent Third Parties.

LISTING RULES IMPLICATIONS

Since both the Equity Transfer Agreement and the Capital Increase Agreement were entered into within a 12-month period and the nature of both transactions involves the acquisition of equity interests in the Target Company, pursuant to Rule 14.22 of the Listing Rules, the Equity Transfer and the Capital Increase shall be aggregated and treated as a single transaction.

As the highest applicable percentage ratio after aggregating the Equity Transfer and the Capital Increase exceeds 25% but is less than 100%, the Equity Transfer and the Capital Increase constitute a major transaction for the Company under Chapter 14 of the Listing Rules, and are subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The Company will convene the EGM to consider and, if thought fit, to approve the Agreements and the transactions contemplated thereunder.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder or any of their respective close associates has a material interest in the Agreements and the transactions contemplated thereunder and is required to abstain from voting at the EGM for approving the Agreements and the transactions contemplated thereunder.

A circular containing, among other things, (i) further details of the Agreements and the transactions contemplated thereunder; (ii) other information required to be disclosed under the Listing Rules; and (iii) a notice of the EGM, is expected to be despatched by the Company to the Shareholders in accordance with Listing Rules on or before March 10, 2026, as additional time will be required to prepare the relevant information to be included in the circular.

Shareholders and potential investors of the Company should note that completion of the Equity Transfer and the Capital Increase is subject to the satisfaction and/or, where applicable, waiver of the conditions as set out in the Equity Transfer Agreement and the Capital Increase Agreement, respectively. As the Equity Transfer and the Capital Increase may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings, unless the context requires otherwise:

"Acquisition"	the acquisition of 60% equity interest in the Target Company by the Group pursuant to the Equity Transfer and the Capital Increase
"Agreements"	collectively, the Equity Transfer Agreement, the Capital Increase Agreement and the Management Agreement
"associate(s)"	has the same meaning ascribed thereto under the Listing Rules

"Black Sesame Wuhan"	Black Sesame Technologies Co., Ltd. (黑芝麻智能科技有限公司), a limited company incorporated under the laws of the PRC on February 8, 2021, an indirect wholly-owned subsidiary of the Company
"Board"	the board of Directors
"Capital Increase"	the SPV subscribed for the newly increased registered capital in the Target Company of RMB20,218,838 (representing 40.4377% of the total enlarged equity interest of the Target Company following the Capital Increase) at the price of RMB20,218,838 under the Capital Increase Agreement
"Capital Increase Agreement"	the capital increase agreement entered into among the SPV, the Management Shareholders, the Existing Shareholders, the Employees Partnerships and the Target Company on December 31, 2025 in relation to the Capital Increase
"Company"	Black Sesame International Holding Limited, an exempted company incorporated under the laws of Cayman Islands with limited liability on July 15, 2016, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2533)
"connected person(s)"	has the same meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Agreements and the transactions contemplated thereunder
"Employees Partnership A" or "Zhuhai Yihui"	Zhuhai Yihui Technology Partnership Enterprise (Limited Partnership) (珠海億匯科技合夥企業(有限合夥))
"Employees Partnership B" or "Zhuhai Yiju"	Zhuhai Yiju Technology Partnership Enterprise (Limited Partnership) (珠海億聚科技合夥企業(有限合夥))
"Employees Partnership C" or "Zhuhai Zhiju"	Zhuhai Zhiju Technology Partnership Enterprise (Limited Partnership) (珠海智聚科技合夥企業(有限合夥))
"Employees Partnerships"	collectively, Employees Partnership A, Employees Partnership B and Employees Partnership C

"Equity Transfer"	the acquisition of 32.8435% equity interest in the Target Company (representing 19.5623% of the enlarged total equity interest of the Target Company following the Capital Increase) by the Purchasers from the Vendors pursuant to the Equity Transfer Agreement
"Equity Transfer Agreement"	the equity transfer agreement entered into among Black Sesame Wuhan, the Vendors, the Management Shareholders and the Target Company on December 31, 2025 in relation to the Equity Transfer
"Existing Shareholders"	collectively, Cai Zhenhua (蔡振華), Yu Zhenhui (余振輝), Yan Zhi (嚴智), Xiao Zhenliang (肖振亮) and Yang Shaojun (楊少軍)
"Group"	the Company and its subsidiaries
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"IFRS"	IFRS Accounting Standards
"Independent Third Party(ies)"	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Takeovers Code) with any of the connected persons of the Company or any of their respective associates (as defined under the Listing Rules)
"Independent Valuer"	the independent professional valuer, AVISTA Asset Appraisal (Beijing) Co., Ltd.
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Management Agreement"	the management agreement (and its supplemental agreement) entered into between the Company, the Management Shareholders, the Employees Partnerships and the Target Company on December 31, 2025 in relation to the management of the businesses of the Target Company (including matters such as the Performance Commitment)
"Management Shareholders"	Chen Feng (陳峰), Wu Lang (吳浪) and Shan Jun (單軍), who are the shareholders and also the directors and/or management of the Target Company as at the date of this announcement

"Performance Commitment"	has the meaning ascribed thereto under the paragraph headed "The Agreements – The Management Agreement – Overview of performance commitment"
"PRC"	the People's Republic of China. For the purpose of this announcement and for geographical reference only, except where the context requires, references in this announcement to the "PRC" do not include Hong Kong, Macau Special Administrative Region and Taiwan Region
"Purchaser"	collectively, Black Sesame Wuhan and the SPV
"RMB"	Renminbi, the lawful currency of the PRC
"Sale Equity"	32.8435% of the equity interest of the Target Company held by the Vendors as at the date of this announcement
"Shareholder(s)"	shareholder(s) of the Company
"SPV"	the special purpose vehicle established by Black Sesame Wuhan for the Equity Transfer and the Capital Increase, namely Black Sesame Technologies (Zhuhai) Co., Ltd. (黑芝麻智能科技(珠海)有限公司), a limited liability company incorporated under the laws of the PRC on December 15, 2025, an indirect wholly-owned subsidiary of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Equity"	40.4377% of the equity interest of the Target Company following the Capital Increase to be subscribed by the Company pursuant to the Capital Increase Agreement
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Target Company"	Eeasy Technology Co., Ltd. (珠海億智電子科技有限公司), a limited liability company incorporated in the PRC on July 22, 2016
"Valuation Date"	June 30, 2025
"Valuation Report"	the valuation report with Valuation Date of June 30, 2025, prepared by the Independent Valuer in relation to the Target Company for the purpose of the Acquisition

"Vendor A" or "Chongqing Jichuang"	Chongqing Jichuang Yuyuan Equity Investment Fund Partnership (Limited Partnership)* (重慶極創渝源股權投資基金合夥企業(有限合夥))
"Vendor B" or "Intel Products"	Intel Products (Chengdu) Co., Ltd.* (英特爾產品(成都)有限公司)
"Vendor C" or "Hengqin Lingjun"	Zhuhai Hengqin Lingjun Investment Partnership Enterprise (Limited Partnership)* (珠海橫琴靈雋投資合夥企業(有限合夥))
"Vendor D" or "Guangdong Wenrun Zhenxin No. 2"	Guangdong Wenrun Zhenxin No. 2 Equity Investment Partnership (Limited Partnership)* (廣東溫潤振信貳號股權投資合夥企業(有限合夥))
"Vendor E" or "Jiangsu Datai"	Jiangsu Datai Yueda Big Data Venture Capital Fund (Limited Partnership)* (江蘇達泰悅達大數據創業投資基金(有限合夥))
"Vendor F" or "Li Lijun"	Li Lijun (李立軍)
"Vendor G" or "Jiaxing Jiayong"	Jiaxing Jiayong Investment Partnership Enterprise (Limited Partnership)* (嘉興嘉湧投資合夥企業(有限合夥))
"Vendor H" or "Chengdu Maiqiu"	Chengdu Maiqiu Venture Capital Partnership Enterprise (Limited Partnership)* (成都麥秋創業投資合夥企業(有限合夥))
"Vendor I" or "Ningbo Yaji"	Ningbo Yaji Enterprise Consulting Center (Limited Partnership)* (寧波雅集企業諮詢中心(有限合夥))
"Vendor J" or "Jiangsu Shengyu"	Jiangsu Shengyu Artificial Intelligence Entrepreneurship Investment Partnership Enterprise (Limited Partnership)* (江蘇盛宇人工智能創業投資合夥企業(有限合夥))
"Vendor K" or "Wenrun Growth No. 1"	Wenrun Growth No. 1 (Zhuhai) Equity Investment Fund Partnership (Limited Partnership)* (溫潤成長壹號(珠海)股權投資基金合夥企業(有限合夥))
"Vendor L" or "Zhuhai Science and Technology"	Zhuhai Sci Tech Innovation and High Tech Venture Capital Fund Partnership Enterprise (Limited Partnership)* (珠海科創高科創業投資基金合夥企業(有限合夥))
"Vendor M" or "Sanqi Lexin"	Sanqi Lexin (Guangzhou) Industrial Investment Partnership (Limited Partnership)* (三七樂心(廣州)產業投資合夥企業(有限合夥))

"Vendor N" or "Suzhou Hengtong"	Suzhou Hengtong Datai Big Data Industry Fund Partnership Enterprise (Limited Partnership)* (蘇州亨通達泰大數據產業基金合夥企業(有限合夥))
"Vendor O" or "Nantong Tongzhou"	Nantong Tongzhou District Dongdu Electronic Technology Co., Ltd* (南通市通州區東渡電子科技有限公司)
"Vendor P" or "Shanghai Datai"	Shanghai Datai Venture Capital Management Co., Ltd.* (上海達泰創業投資管理有限公司)
"Vendor Q" or "Jiaxing Yueyi"	Jiaxing Yueyi Equity Investment Partnership Enterprise (Limited Partnership)* (嘉興岳益股權投資合夥企業(有限合夥))
"Vendor R" or "Zhuhai Port Kerui No.3"	Zhuhai Port Kerui No.3 Venture Capital Fund Partnership Enterprise (Limited Partnership)* (珠海港灣科睿三號創業投資基金合夥企業(有限合夥))
"Vendor S" or "Zhuhai Port Datai"	Zhuhai Port Datai Equity Investment Partnership Enterprise (Limited Partnership)* (珠海港灣達泰股權投資合夥企業(有限合夥))
"Vendor T" or "Hengqin Qichuang"	Zhuhai Hengqin Qichuang Shared Investment Partnership Enterprise (Limited Partnership)* (珠海橫琴齊創共享投資合夥企業(有限合夥))
"Vendor U" or "Zhuhai Fukunyi"	Zhuhai Fukunyi Management Consulting Co., Ltd.* (珠海富昆億管理諮詢有限公司)
"Vendors"	collectively, Vendor A, Vendor B, Vendor C, Vendor D, Vendor E, Vendor F, Vendor G, Vendor H, Vendor I, Vendor J, Vendor K, Vendor L, Vendor M, Vendor N, Vendor O, Vendor P, Vendor Q, Vendor R, Vendor S, Vendor T, and Vendor U
"%"	per cent

By order of the Board
Black Sesame International Holding Limited
Mr. SHAN Jizhang
Chairman of the Board, Executive Director and Chief Executive Officer

Hong Kong, December 31, 2025

As at the date of this announcement, the Board comprises (i) Mr. SHAN Jizhang, Mr. LIU Weihong and Mr. ZENG Daibing as executive directors; (ii) Dr. YANG Lei as non-executive director; and (iii) Prof. LI Qingyuan, Prof. LONG Wenmao and Prof. XU Ming as independent non-executive directors.

* *For identification purposes only*