Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Innovativity To Productivity

PRODUCTIVE TECHNOLOGIES COMPANY LIMITED

普達特科技有限公司*

(Incorporated in Bermuda and continued in the Cayman Islands with limited liability)

(Stock Code: 650)

ADOPTION OF EQUITY INCENTIVE PLAN BY A SUBSIDIARY; AND GRANT OF INCENTIVE OPTIONS TO A CONNECTED PERSON

ADOPTION OF EQUITY INCENTIVE PLAN BY A SUBSIDIARY

As part of the Group's initiatives to incentivise the performance of its directors, senior management and employees, the board of directors and the shareholder of PDT Xuzhou (a subsidiary of the Company) have resolved to adopt the Equity Incentive Plan. As at the date of this announcement, PDT Xuzhou is not a "principal subsidiary" (as defined under Rule 17.14 of the Listing Rules) of the Company. Therefore, the adoption of the Equity Incentive Plan is not subject to the requirements under Chapter 17 of the Listing Rules.

Pursuant to Rule 14.32A of the Listing Rules, the adoption of the Equity Incentive Plan by a subsidiary of the Company constitutes a deemed disposal of the Company. As the highest applicable percentage ratio in respect of the adoption of the Equity Incentive Plan is below 5%, the adoption of the Equity Incentive Plan by a subsidiary of the Company does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

GRANT OF INCENTIVE OPTIONS TO A CONNECTED PERSON

On 29 April 2026, the Company, PDT Xuzhou and Dr. Liu entered into an incentive framework agreement to make adjustments to Dr. Liu's annual remuneration and incentive structure for each of the three years from 1 June 2026 to 31 May 2029 and to stipulate the grant of incentive options by PDT Xuzhou to Dr. Liu: (i) Dr. Liu's annual bonus for each of the three years from 1 June 2026 to 31 May 2029 will be reduced by US$1 million; and (ii) as the Tranche I Eligible Participant under the Equity Incentive Plan, Dr. Liu will, upon full exercise of the incentive options, acquire a portion of the registered capital of PDT Xuzhou in the amount of RMB6,125,787, representing 5% of the total registered capital of PDT Xuzhou as enlarged upon exercise of the incentive options in full under the Equity Incentive Plan. Dr. Liu is not required to pay any consideration for the incentive options granted.

Pursuant to Rule 14A.07 of the Listing Rules, Dr. Liu is a connected person of the Company. Therefore, the grant of incentive options to Dr. Liu constitutes a connected transaction under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio exceeds 0.1% but is below 5%, the grant of incentive options is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from the independent Shareholders' approval requirement.

I. ADOPTION OF EQUITY INCENTIVE PLAN BY A SUBSIDIARY

As part of the Group's initiatives to incentivise the performance of its directors, senior management and employees, the board of directors and the shareholder of PDT Xuzhou (a subsidiary of the Company) have resolved to adopt the Equity Incentive Plan. The principal terms of the Equity Incentive Plan are as follows:

Purpose

The purpose of the Equity Incentive Plan is to encourage the commitment of Eligible Participants to enhance the overall interests of PDT Xuzhou and the Group by providing them with an opportunity to obtain equity interests in PDT Xuzhou, to motivate talents who have contributed to the long-term growth of PDT Xuzhou and the Group, and to attract and recruit talents who may make significant contributions to PDT Xuzhou and the Group in the future.

Participants

The Eligible Participants under the Equity Incentive Plan include directors, supervisors and senior management as well as core technical, managerial and business staff of the Group's members, and other staff whom the board of directors of PDT Xuzhou deems necessary to incentivise. The Company will comply with further disclosure obligations under the applicable Listing Rules in due course as and when necessary.

Grant of Incentive Options

Upon exercise of the incentive options held by the Eligible Participants, they will acquire equity interests in PDT Xuzhou either directly or indirectly by holding partnership interests in the shareholding platform (the "**Shareholding Platform**") established by the Company for the purpose of equity incentive. The registered capital of PDT Xuzhou obtainable upon full exercise of the incentive options to be granted by PDT Xuzhou to Eligible Participants shall not exceed RMB18,377,362, representing 15% of its total registered capital as enlarged by exercise of the incentive options in full under the Equity Incentive Plan. Among them, the Tranche I Eligible Participant may be granted (upon exercise) a portion of the registered capital of PDT Xuzhou in an amount not exceeding RMB6,125,787, representing 5% of the total registered capital of PDT Xuzhou as enlarged by the exercise of the incentive options in full under the Equity Incentive Plan, with the remaining interests reserved for subsequent Eligible Participants.

The price for granting incentive options to Eligible Participants under the Equity Incentive Plan shall be nil (or any other price as approved by the board of directors of PDT Xuzhou).

Whether an Eligible Participant is to be granted incentive options and the number of incentive options to be granted shall be determined by the board of directors of PDT Xuzhou. PDT Xuzhou shall notify the Eligible Participant in writing of the number of incentive options granted, the grant price, etc. The Eligible Participant shall sign and return the letter of acceptance to PDT Xuzhou within 10 days upon receipt of the written notice.

Vesting and Exercise

Subject to the Equity Incentive Plan and the written agreement between the Eligible Participants and PDT Xuzhou, the incentive options will be vested to the Eligible Participants after the conditions are satisfied, whereupon the Eligible Participants will be entitled to exercise the vested incentive options so that they will acquire equity interests in PDT Xuzhou corresponding to such incentive options either directly or indirectly by holding partnership interests in the Shareholding Platform.

From the time of being granted the incentive options until the completion of exercise thereof, the Eligible Participants shall not, by virtue of holding the incentive options, be entitled to any equity interests in PDT Xuzhou (or partnership interests in the Shareholding Platform) or other rights and interests, including but not limited to any voting rights or dividend rights, nor shall they hold any equity interests or other rights and interests in any member of the Group.

Restriction on Transfer

Unless otherwise stipulated in the Equity Incentive Plan or the written agreement between the Eligible Participants and PDT Xuzhou, prior to the exercise of the incentive options, no Eligible Participants may dispose of all or part of the incentive options granted to him/her in any manner. Upon exercise of the incentive options, the equity interests in PDT Xuzhou (or partnership interest in the Shareholding Platform) held by them shall also be subject to the lock-up period determined by the board of directors of PDT Xuzhou.

II. GRANT OF INCENTIVE OPTIONS TO A CONNECTED PERSON

On 29 April 2026, the Company, PDT Xuzhou and Dr. Liu entered into an incentive framework agreement to make adjustments to Dr. Liu's annual remuneration and incentive structure for each of the three years from 1 June 2026 to 31 May 2029 and to stipulate the grant of incentive options by PDT Xuzhou to Dr. Liu:

(i) Dr. Liu's annual bonus for each of the three years from 1 June 2026 to 31 May 2029 will be reduced by US$1 million.

(ii) as the Tranche I Eligible Participant under the Equity Incentive Plan, Dr. Liu will, upon full exercise of the incentive options, acquire a portion of the registered capital of PDT Xuzhou in the amount of RMB6,125,787, representing 5% of the total registered capital of PDT Xuzhou as enlarged upon exercise of the incentive options in full under the Equity Incentive Plan. Dr. Liu is not required to pay any consideration for the incentive options granted.

The incentive options shall be vested and exercised in a lump sum on 1 June 2029, subject to the fulfilment of the vesting conditions, which, among others, include maintenance of his employment as the chief executive officer of the Group and no occurrence of change of control or material disposal of all assets of PDT Xuzhou (the "**Events**"). PDT Xuzhou shall complete the industrial and commercial registration procedures within a reasonable time frame. If the Events occur prior to 1 June 2029, the incentive options shall be automatically vested and exercised in a lump sum in advance prior to the completion of such Events.

In addition, if PDT Xuzhou achieves the specified performance targets (including revenue, gross profit margin and other indicators) for the year from 1 April 2028 to 31 March 2029, the Company shall make a one-off cash bonus payment to Dr. Liu on or before 15 July 2029, provided that if any of the aforesaid performance targets is not achieved, the Company shall have no obligations to make any cash bonus payment.

III. REASONS FOR AND BENEFITS OF THE ADOPTION OF THE EQUITY INCENTIVE PLAN AND THE GRANT OF INCENTIVE OPTIONS

The Eligible Participants include persons such as senior management and core employees who are vital to the development of PDT Xuzhou and the Group and have made or will continue to make significant contributions to PDT Xuzhou and the Group. The Group regards its employees as its most valuable assets, and the grant of incentive options will further incentivise the Eligible Participants to continue contributing to PDT Xuzhou and the Group.

The Group is engaged in the business of advanced high-productivity equipment for semiconductor and pan-semiconductor applications. It also operates an oil and gas production project in the PRC. Dr. Liu joined the Company as the Executive Vice President in June 2021, and was subsequently appointed as the President on 1 December 2021, the Chief Executive Officer on 13 May 2022, and an Executive Director and the Chairman of the Board on 19 August 2022. Since the launch of the Group's semiconductor and solar equipment business, Dr. Liu has played a key role in the steady breakthroughs and commercialisation of the Group's semiconductor and solar equipment business, in areas such as business strategic planning, selection of technology roadmaps, core product research and development ("**R&D**"), team building, and customer development. Specifically, (i) in the field of semiconductor equipment business, Dr. Liu led and was deeply involved in the entire process from the initial start-up phase to commercialisation. The Group adheres to a development path centered on independent R&D, continuously increasing R&D investment in semiconductor single-wafer cleaning equipment and key thin film deposition equipment. In 2023, the Group successfully delivered its first CUBE single-wafer cleaning equipment to a customer, marking a significant leap "from 0 to 1" for the Group's semiconductor

equipment business. Subsequently, the Group launched the OCTOPUS semiconductor single-wafer cleaning equipment platform in the same year. As a result, the Company's single-wafer cleaning equipment product portfolio now covers the major application scenarios of 6-inch to 12-inch wafer cleaning, with process performance directly comparable to internationally mainstream equipment, while offering higher cost-effectiveness and configuration flexibility. Relevant products have secured orders from multiple high-quality customers and passed acceptance, with repeat orders obtained, marking that the Group's semiconductor cleaning equipment business is gradually entering the mass production stage. Leveraging on stable and reliable product performance, semiconductor equipment has been delivered in batches to over ten customers in the semiconductor industry and received orders from leading industry customers including 12-inch wafer foundries and manufacturers of high-performance analog and power devices. Building upon this, the Group continues to advance towards technically more challenging and key process segments. In 2025, the Group's self-developed high-temperature sulfuric acid cleaning (high-temperature SPM) equipment received customer prototype orders. This equipment is widely recognized within the industry as high-difficulty wet process equipment, with related technologies long monopolized by overseas manufacturers. The Group's product possesses industry-leading high-temperature control capabilities, with some key performance indicators reaching internationally leading levels, effectively promoting breakthroughs in domestic high-end cleaning equipment in key process areas. Meanwhile, the Group independently developed and launched high-end furnace equipment for key thin film deposition processes on 12-inch wafers, namely LP-SiN and ALD-SiN, which have received prototype orders and have been delivered to customers, among which the LP-SiN furnace equipment has completed customer acceptance. The localisation rate of such equipment remains relatively low. The Company's products have comprehensive competitive advantages in process performance, batch efficiency and multi-process compatibility, providing customers with an overall solution capable of replacing overseas equipment suppliers. Currently, the Group's semiconductor equipment business has an order backlog of approximately RMB300 million, with related revenue expected to be recognized gradually over the next 1 to 2 years. As product maturity and market recognition continue to improve, the Group's profitability continues to improve; and (ii) in the field of solar equipment business, the Group successfully launched competitive solar wet process cleaning and texturing equipment and copper plating equipment. The Group creatively launched a complete line solution for solar wet process equipment capable of achieving 1GW capacity per unit. This solution rapidly reached the milestone of cumulative delivery of 100 units. Subsequently, the Group launched InCellPlate Cu, a horizontal chain-type solar copper plating equipment. As an important equipment platform for the industry's "de-silver paste" technological pathway, InCellPlate Cu further consolidated the Group's technological and market leadership in the new energy equipment sector.

The Board believes that Dr. Liu has made continuous and invaluable contributions to the Group's strategic transformation and the growth of the Group's semiconductor equipment business from the start-up phase through the scaling-up and commercialisation phase. The grant of a minority equity interest in PDT Xuzhou corresponding to the incentive options to Dr. Liu as a long-term incentive will help further solidify the management's long-term commitment to and focus on the relevant businesses, drive continuous business expansion, enhance market competitiveness, and ultimately create greater long-term value for the Group and its Shareholders.

Upon completion of the grant and exercise in full of the incentive options, PDT Xuzhou will remain a controlled non-wholly owned subsidiary of the Company, and its financial performance will continue to be consolidated into the financial statements of the Group. The grant of incentive options will not result in the Group losing control over PDT Xuzhou, and accordingly no gain or loss on initial recognition is anticipated.

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the grant of incentive options is entered into on normal commercial terms (though not in the ordinary and usual course of business of the Group) and the conditions and terms thereof (including but not limited to the consideration) are fair and reasonable and in the overall interests of the Company and its Shareholders.

In accordance with the Company's articles of association and the applicable rules and regulations, Dr. Liu has abstained from voting on the Board resolution of the Company to approve the grant of incentive options to him under the Equity Incentive Plan. Save for Dr. Liu, none of the other Directors has any material interest in the relevant Board resolution and is required to abstain from voting.

IV. GENERAL INFORMATION ABOUT THE PARTIES

The Group

The Group is engaged in the business of productivity-driven equipment applied in semiconductor and pan-semiconductor businesses. It also operates an oil and gas production project in the PRC.

PDT Xuzhou

PDT Xuzhou was incorporated in the PRC on 6 March 2026 and is mainly engaged in the sales, research and development and engineering services of semiconductor equipment. As at the date of this announcement, PDT Xuzhou is a wholly-owned subsidiary of the Company. Immediately after the exercise of the incentive options in full under the Equity Incentive Plan, the Company's equity interests in PDT Xuzhou will be reduced from 100% to 85%, and PDT Xuzhou will remain a subsidiary of the Company.

The Company completed an internal asset restructuring in April 2026. According to the unaudited pro forma consolidated financial statements, the consolidated net asset value of PDT Xuzhou as at 31 December 2025 was RMB50.87 million. The table below sets out the net profit (loss) of PDT Xuzhou for the two years ended 31 December 2025 and 2024:

	For the year ended 31 December 2025 *RMB (Unaudited)*	**For the year ended 31 December 2024** *RMB (Unaudited)*
Net profit (loss) before tax	(92,140,096)	(119,537,321)
Net profit (loss) after tax	(92,140,096)	(119,538,397)

V. IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, PDT Xuzhou is not a "principal subsidiary" (as defined under Rule 17.14 of the Listing Rules) of the Company. Therefore, the adoption of the Equity Incentive Plan is not subject to the requirements under Chapter 17 of the Listing Rules.

Pursuant to Rule 14.32A of the Listing Rules, the adoption of the Equity Incentive Plan by a subsidiary constitutes a deemed disposal of the Company. As the highest applicable percentage ratio in respect of the adoption of the Equity Incentive Plan is below 5%, the adoption of the Equity Incentive Plan by a subsidiary of the Company does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

Pursuant to Rule 14A.07 of the Listing Rules, Dr. Liu is a connected person of the Company. Accordingly, the grant of incentive options to Dr. Liu constitutes a connected transaction under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio exceeds 0.1% but is below 5%, the grant of incentive options is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from the independent Shareholders' approval requirement.

VI. DEFINITIONS

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

"Board"	the board of directors of the Company
"Company"	Productive Technologies Company Limited, a company incorporated in Bermuda and continued in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 650)

"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Dr. Liu"	Dr. Liu Erzhuang, the chairman of the Board, executive Director and chief executive officer of the Company as at the date of this announcement
"Eligible Participant(s)"	the person(s) eligible to participate in the Equity Incentive Plan and to be granted incentive options thereunder
"Equity Incentive Plan"	the equity incentive plan approved and adopted by the board of directors and the shareholder of PDT Xuzhou
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"PDT Xuzhou"	Productive Technologies (Xuzhou) Limited* (普達特半導體科技(徐州)有限公司), a limited liability company incorporated under the laws of the PRC and a wholly-owned subsidiary of the Company as at the date of this announcement
"PRC"	the People's Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	the ordinary share(s) of HK$0.01 each in the issued share capital of the Company
"Shareholder(s)"	the holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"US$"	United States dollars, the lawful currency of the United States of America
"%"	per cent

By Order of the Board
Productive Technologies Company Limited
Liu Erzhuang
Chairman and Chief Executive Officer

Hong Kong, 29 April 2026

As at the date hereof, the Board comprises eight Directors, of whom three are executive Directors, namely Dr. Liu Erzhuang (Chairman), Mr. Tan Jue and Mr. Liu Zhihai; two are non-executive Directors, namely Mr. Cao Xiaohui and Mr. Lin Yukai; and three are independent non-executive Directors, namely Ms. Ge Aiji, Mr. Chau Shing Yim David, and Mr. Wang Guoping.

* *For identification purposes only*