PATEO CONNECT Technology (Shanghai) Corporation
博泰車聯網科技(上海)股份有限公司
(A joint stock company established in the People's Republic of China with limited liability)
(Stock Code: 2889)

PLACING OF NEW H SHARES UNDER GENERAL MANDATE

Overall Coordinators and Placing Agents of the Placing

國泰海通 GUOTAI HAITONG | 國泰君安國際 GUOTAI JUNAN INTERNATIONAL

CMBI 招銀国际

THE PLACING

The Board is pleased to announce that on June 17, 2026 (before trading hours), the Company and the Placing Agents entered into the Placing Agreement, pursuant to which the Placing Agents have conditionally and severally agreed, as the Company's Placing Agents, to procure, on a best efforts basis, not less than six (6) Placees to subscribe for up to 2,259,300 new H Shares at the Placing Price of HK$173.40 per Share.

The Placing Price of HK$173.40 per Share represents:

(i) a discount of approximately 17.59% to the closing price of HK$210.40 per Share as quoted on the Hong Kong Stock Exchange on June 16, 2026 (being the Last Trading Day and the date on which the Placing Price is fixed);

(ii) a discount of approximately 19.92% to the average closing price of approximately HK$216.52 per Share as quoted on the Hong Kong Stock Exchange for the last five (5) consecutive trading days immediately preceding (but excluding) the Last Trading Day; and

(iii) a discount of approximately 7.26% to the average closing price of approximately HK$186.97 per Share as quoted on the Hong Kong Stock Exchange for the last thirty (30) consecutive trading days immediately preceding (but excluding) the Last Trading Day.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agents with reference to the market conditions, the prevailing market price of H Shares and the business prospects of the Group.

The number of Placing Shares represents (i) approximately 2.80% of the existing issued H Shares of the Company as at the date of this announcement; and (ii) approximately 2.73% of the issued H Shares of the Company as enlarged by the allotment and issue of the Placing Shares (assuming that there will be no change to the issued H Shares of the Company from the date of this announcement to the Placing Completion Date, save for the allotment and issue of the Placing Shares).

The gross proceeds from the Placing are expected to be approximately HK$391.76 million. The net proceeds from the Placing are expected to be approximately HK$381.62 million (after deducting related fees and expenses of the Placing). On such basis, the net price per Placing Share is approximately HK$168.91.

GENERAL MANDATE

The issue of the Placing Shares will not be subject to Shareholders' approval and the Placing Shares will be allotted and issued under the General Mandate.

An application will be made by the Company to the Listing Committee of the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Placing Shares on the Hong Kong Stock Exchange.

As completion of the Placing is subject to the satisfaction and/or waiver of certain conditions precedent, it may or may not materialise as contemplated or at all, and it may be terminated in certain circumstances, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

THE PLACING

The Board is pleased to announce that on June 17, 2026 (before trading hours), the Company and the Placing Agents entered into the Placing Agreement, pursuant to which the Placing Agents have conditionally and severally agreed, as the Company's Placing Agents, to procure, on a best efforts basis, not less than six (6) Placees to subscribe for up to 2,259,300 new H Shares at the Placing Price of HK$173.40 per Share.

THE PLACING AGREEMENT

Date: June 17, 2026

Parties: (1) the Company; and

(2) the Placing Agents.

Placing Shares

The total of up to 2,259,300 Placing Shares will be placed by the Placing Agents under the Placing. The number of Placing Shares represents:

(i) approximately 2.80% of the existing issued H Shares of the Company as at the date of this announcement; and

(ii) approximately 2.73% of the issued H Shares of the Company as enlarged by the allotment and issue of the Placing Shares (assuming that there will be no change to the issued H Shares of the Company from the date of this announcement to the Placing Completion Date, save for the allotment and issue of the Placing Shares).

Placing Price

The Placing Price of HK$173.40 per Share represents:

(i) a discount of approximately 17.59% to the closing price of HK$210.40 per Share as quoted on the Hong Kong Stock Exchange on June 16, 2026 (being the Last Trading Day and the date on which the Placing Price is fixed);

(ii) a discount of approximately 19.92% to the average closing price of approximately HK$216.52 per Share as quoted on the Hong Kong Stock Exchange for the last five consecutive trading days immediately preceding (but excluding) the Last Trading Day; and

(iii) a discount of approximately 7.26% to the average closing price of approximately HK$186.97 per Share as quoted on the Hong Kong Stock Exchange for the last thirty (30) consecutive trading days immediately preceding (but excluding) the Last Trading Day.

Based on a nominal value of RMB1.00 per Share, the Placing Shares have an aggregate nominal value of RMB2,259,300. The Placing Price was determined after arm's length negotiations between the Company and the Placing Agents with reference to the market conditions, the prevailing market price of H Shares and the business prospects of the Group.

Independence of the Placing Agents and the Placees

It is expected that the Placing Shares will be placed by the Placing Agents to not less than six independent professional, institutional and/or other investors on a best efforts basis. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Placees and their respective ultimate beneficial owners are Independent Third Parties. It is not expected that any Placee will become a substantial shareholder of the Company upon completion of the Placing.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Placing Agents and their ultimate beneficial owners are Independent Third Parties.

Ranking of the Placing Shares

The Placing Shares shall, when allotted, issued and fully paid, rank *pari passu* in all respects with the other H Shares in issue or to be issued by the Company on or prior to the Placing Completion Date, including the right to receive all dividends and other distributions declared, made or paid on or after the date of allotment, and will be free from all pledges, liens, charges and encumbrances, equities, security interests or other claims.

Conditions of the Placing Agreement

Completion of the Placing is conditional upon the fulfillment or waiver (if applicable) of the following conditions (the "**Conditions**"):

(a) the written confirmation issued by the Listing Committee granting the listing of, and permission to deal in, the Placing Shares (the "**Listing Approval**") having been granted by the Hong Kong Stock Exchange and the Listing Approval not subsequently being revoked prior to the delivery of the definitive share certificate(s) representing the Placing Shares;

(b) the Placing Agents having received on the Placing Completion Date the final draft or substantially complete draft of the CSRC Filings, such drafts to be in form and substance reasonably satisfactory to the Placing Agents; and

(c) the Company's representations and warranties made pursuant to the Placing Agreement being true and accurate and not misleading as of the date of the Placing Agreement and the Placing Completion Date.

Save as Conditions (b) and (c), which are waivable by the Placing Agents, all other Conditions are not waivable at any time. In the event of any of the Conditions referred to above not having been fulfilled or not waived (as the case may be) on or prior to 4:00 p.m. (Hong Kong time) on the Placing Completion Date or such later time as may be agreed in writing between the Company and the Placing Agents, all rights, obligations and liabilities of the parties to the Placing Agreement in relation to the Placing shall cease and determine and none of the parties shall have any claim against the other, save for antecedent breaches.

Termination of the Placing Agreement

The Placing Agreement may be terminated by the Placing Agents, without liability to the Company, by giving notice in writing to the Company at any time prior to 8:00 a.m. (Hong Kong time) on the Placing Completion Date, in accordance with the terms thereof, on the grounds of, including but not limited to, material breach of any of the representations, warranties and undertakings by the Company as set out in the Placing Agreement and the occurrence of certain force majeure events.

Without prejudice to any other provisions of the Placing Agreement, the Placing Agents shall have the right exercisable at any time by notice in writing (specifying the reason for terminating the Placing Agreement) to the Company to terminate the Placing Agreement if any of the Placing Shares are not delivered by or on behalf of the Company in accordance with the Placing Agreement.

In the event that the Placing Agents terminate the Placing Agreement in accordance with the foregoing, all obligations of each of the parties to the Placing Agreement shall cease and determine and no party shall have any claim against the other party in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation under the Placing Agreement and liabilities otherwise stipulated in the Placing Agreement.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

Completion of the Placing

Completion of the Placing shall take place on or before June 25, 2026, or such other time and/or date as the Company and the Placing Agents agree in writing.

Lock-up Undertakings

The Company has undertaken to the Placing Agents that, it will not allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Shares or interest in Shares during the period commencing on the date of entering into the Placing Agreement up to 60 days after the Placing Completion Date or such shorter period as otherwise agreed in writing by the Company and the Placing Agents ("**Lock-up Period**"), unless the prior written consent of the Placing Agents having been obtained, other than pursuant to:

(i) any exercise of any convertible notes or warrants or options in issue at the date of the Placing Agreement or any other conversion or subscription rights existing as at the date of the Placing Agreement;

(ii) exercise of any share options granted pursuant to the Pre-IPO Share Option Scheme and 2026 H Share Incentive Scheme;

(iii) exercise of any restricted share units granted pursuant to the restricted share unit scheme of the Company adopted pursuant to the Listing Rules as at the date of the Placing Agreement;

(iv) any scrip dividend scheme;

(v) any allotment and issue of the Placing Shares pursuant to the Placing Agreement; or

(vi) any grant of options or awards to employees of the Company pursuant to any share schemes adopted or to be adopted by the Company.

ISSUE OF NEW H SHARES UNDER THE GENERAL MANDATE

By a resolution of the Shareholders passed at the annual general meeting of the Company held on May 19, 2026, the Shareholders granted the General Mandate to allot, issue and deal with not more than 20% of the total number of issued Shares (excluding any treasury shares, if any) of the Company as at the date of such annual general meeting, being a total of 31,038,618 Shares (calculated based on the total number of 155,193,093 issued Shares as at the date of such meeting). From the date of such meeting up to the date of this announcement, no Shares have been issued under the General Mandate. Accordingly, as at the date of this announcement, a total of 31,038,618 Shares remain available for issuance under the General Mandate. The allotment and issue of the Placing Shares will fall within the limit of the General Mandate and is not subject to further approval of the Shareholders.

LISTING APPLICATION

An application will be made by the Company to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

CSRC FILINGS

The Company shall complete the CSRC Filings in connection with the issue of the Placing Shares in accordance with applicable laws and regulations.

REASONS FOR AND BENEFITS OF THE PLACING

The Board believes that the Placing is an important step for the Group to further deepen and consolidate its market leadership and optimize its capital structure. Investments in the Group by the Placees and participants in the Placing fully demonstrate their firm confidence in the Group's business fundamentals, market leadership and long-term growth potential. This will lay a stronger foundation for the Group's strategy centered on AI technology and integrating "software, hardware, chips and cloud services".

The Placing will help further broaden the Company's shareholder base and diversify its shareholder structure, attract reputable investors, and support the Group's M&A, investments, and healthy, sustainable development in line with its long-term strategy.

Accordingly, the Directors consider that the terms of the Placing Agreement are fair and reasonable, on normal commercial terms, and in the interests of the Shareholders and the Company as a whole. None of the Directors has a material interest in the transactions contemplated under the Placing Agreement.

USE OF PROCEEDS

The gross proceeds from the Placing are expected to be approximately HK$391.76 million. The net proceeds from the Placing are expected to be approximately HK$381.62 million (after deducting related fees and expenses of the Placing). On such basis, the net price per Placing Share is approximately HK$168.91.

The Company intends to apply the aggregate net proceeds from the Placing as follows:

(i) approximately 80% for potential strategic M&A and investments: Focusing on our integrated "software-hardware-chip-cloud" strategy, investments will be made in AI industry and key aspects across the industry chain, including but not limited to chips/semiconductors, AI Agent and other segments. We will also invest in innovative enterprises or assets with core technological capabilities and industrial synergies with us, to quickly acquire new technologies, markets, or resources, thereby consolidating and strengthening our integrated competitive advantage.

(ii) approximately 20% for working capital and general corporate: By enhancing our liquidity and supplementing our daily operating expenses, it will ensure ongoing financial flexibility. It will also support us in deepening core business development and advancing international market expansion, providing liquidity assurance for the implementation of our long-term growth strategies.

The Company expects that all of the net proceeds will be fully utilised by December 31, 2026.

EQUITY FUND RAISING OF THE COMPANY DURING THE PAST TWELVE MONTHS

During the 12 months immediately preceding the date of this announcement, the Company was listed on the Main Board of the Hong Kong Stock Exchange on September 30, 2025, issuing an aggregate of 10,436,900 H Shares at an offer price of HK$102.23 per Share, with net proceeds from the Listing of approximately RMB815 million (approximately HK$894 million) after deducting underwriting commissions, fees and other expenses related to the Listing, and such proceeds have been applied in accordance with the intended uses disclosed in the Prospectus.

As at the date of this announcement, the use of the net proceeds from the Listing was as follows: (i) approximately RMB245 million was allocated to expanding our portfolio of products and solutions and enhancing our technology, further strengthening our comprehensive in-house capabilities spanning software, hardware, and cloud-based vehicle connectivity, of which approximately RMB99 million has been utilised; (ii) approximately RMB245 million was allocated to enhancing our production, testing, and validation capabilities, of which approximately RMB154 million has been utilised; (iii) approximately RMB163 million was allocated to expanding our sales and services network and raising our brand awareness, of which approximately RMB29 million has been utilised; (iv) approximately RMB81 million was allocated to strategic investments aimed at further integrating industry resources, which had been fully utilised; and (v) approximately RMB81 million was allocated to working capital and general corporate purposes, which had been fully utilised. The remaining proceeds will continue to be used in accordance with the allocation described above.

Further, on April 27, 2026 (after trading hours of the Hong Kong Stock Exchange), the Company entered into a subscription agreement with The Triplex Holdings Limited (三鋒控股管理有限公司) and completed the issuance and allotment of 895,980 new H Shares to The Triplex Holdings Limited (三鋒控股管理有限公司) on May 6, 2026 (the "**May 2026 Subscription**") at the subscription price of HK$127.35 per subscription share. The net proceeds (after deducting related fees and expenses) from the May 2026 Subscription amounted to approximately HK$113.61 million, which were intended to be utilised for the purposes as set out in the Company's announcements dated April 27, 2026 and May 6, 2026, respectively.

As of the date of this announcement, the use of the net proceeds from the May 2026 Subscription was as follows: (i) approximately HK$68.17 million was allocated to AI technology applications, product development and related business expansion; and (ii) approximately HK$45.44 million was allocated to working capital and general corporate purposes. As at the date of this announcement, the Company has not utilized the proceeds from the May 2026 Subscription, the Company will use the proceeds in accordance with the allocation described above.

Save as disclosed above, the Company has not carried out any fund-raising activity involving the issue of equity securities during the 12 months immediately preceding the date of this announcement.

EFFECT ON THE SHARE CAPITAL OF THE COMPANY

As at the date of this announcement, the number of the total issued Shares of the Company is 159,557,258 Shares, comprising 78,993,402 Domestic Shares and 80,563,856 H Shares.

The table below sets out a summary of the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon the completion of the Placing (assuming there is no change in the number of issued Shares from the date of this announcement up to the Placing Completion Date), on the assumption that: (a) there will be no other change to the share capital of the Company between the date of this announcement and the completion of the Placing save for the issue of the Placing Shares; and (b) the placees do not and will not hold any Shares other than the Placing Shares.

Shareholder	**As at the date of this announcement**		**Immediately after completion of the Placing**	
	Number of Shares	**% of total issued Shares**	**Number of Shares**	**% of total issued Shares**
A. Domestic Shares				
Mr. Ying Zhenkai (beneficial interest)(1)	32,295,581	20.24%	32,295,581	19.96%
Other Domestic Shareholders	46,697,821	29.27%	46,697,821	28.86%
Sub-total — Domestic Shares	**78,993,402**	**49.51%**	**78,993,402**	**48.82%**
B. H Shares				
Mr. Ying Zhenkai (deemed interest through employee incentive platforms)(2)	15,350,000	9.62%	15,350,000	9.49%
Other H Shareholders	65,213,856	40.87%	65,213,856	40.30%
Placees	—	—	2,259,300	1.40%
Sub-total — H Shares	**80,563,856**	**50.49%**	**82,823,156**	**51.18%**
Total	**159,557,258**	**100.00%**	**161,816,558**	**100.00%**

Notes:

(1) Mr. Ying is the founder of the Group, the chairman, executive Director and general manager of the Company, and is also a controlling Shareholder of the Company. Mr. Ying directly and beneficially holds 32,295,581 Domestic Shares.

(2) Mr. Ying is the general partner of the Company's Employee Incentive Platforms and is accordingly deemed, under the SFO, to be interested in an aggregate of 15,350,000 H Shares held by such employee incentive platforms.

(3) The percentage figures above have been rounded off to the nearest second decimal place.

(4) The sum of the number of Shares and the shareholding percentage may not be equal to the total number or percentage due to rounding.

As at the date of this announcement, except for Pre-IPO Share Option Scheme and 2026 H Share Incentive Scheme, the Company does not have any outstanding options, convertible bonds, warrants or other similar securities which are convertible into Shares.

Based on the information available to the Company and to the best knowledge of the Directors, the Company will maintain sufficient public float upon completion of the Placing.

INFORMATION REGARDING THE GROUP

The Company is a joint stock company incorporated in the People's Republic of China with limited liability, and the H Shares of the Company are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 02889). With AI technology at its core, the Company adheres to a strategy of integrating software, hardware, chips and cloud to provide AI solutions for the automotive and mobile device industries and build a comprehensive AI application ecosystem.

GENERAL

As completion of the Placing is subject to the satisfaction and/or waiver of certain conditions precedent, it may or may not materialise as contemplated or at all, and it may be terminated in certain circumstances, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

"2026 H Share Incentive Scheme"	the 2026 H share incentive scheme of the Company adopted on May 19, 2026
"Board"	the board of Directors of the Company
"Company"	PATEO CONNECT Technology (Shanghai) Corporation (博泰車聯網科技(上海)股份有限公司), a joint stock company incorporated in the People's Republic of China with limited liability, whose H Shares are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 02889)
"Completion"	completion of the Placing in accordance with the Placing Agreement
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"CSRC"	the China Securities Regulatory Commission
"CSRC Filings"	the filings to be made with the CSRC in connection with the Placing pursuant to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) and supporting guidelines issued by the CSRC on February 17, 2023 and effective from March 31, 2023 (as amended, supplemented or otherwise modified from time to time) and other applicable laws, regulations and requirements of the CSRC
"Director(s)"	the director(s) of the Company
"Domestic Shares"	domestic shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi

"General Mandate"	the general mandate granted to the Board to issue H Shares by the Shareholders by way of a special resolution at the annual general meeting held on 19 May 2026
"Group"	the Company and its subsidiaries
"H Shares"	overseas listed foreign invested shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and are listed on the Main Board of the Hong Kong Stock Exchange
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Independent Third Party(ies)"	any entity or person who is not a connected person of the Company within the meaning ascribed thereto under the Listing Rules
"Last Trading Day"	June 16, 2026, being the last trading day prior to the signing of the Placing Agreement
"Listing Committee"	the listing committee of the Hong Kong Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Main Board"	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange
"Mr. Ying"	Mr. Ying Zhenkai (應臻愷), founder of the Group, chairman of the Board, executive Director, general manager of the Company and one of the Controlling Shareholders
"Placee(s)"	any independent professional, institutional and other investors whom the Placing Agents have procured to subscribe for any of the Placing Shares pursuant to their obligations under the Placing Agreement

"Placing"	the placing of the Placing Shares by the Placing Agents on a best efforts basis to not less than six (6) Placees pursuant to the Placing Agreement
"Placing Agents"	Guotai Junan Securities (Hong Kong) Limited and CMB International Capital Limited
"Placing Agreement"	the placing agreement entered into between the Company and the Placing Agents on June 17, 2026 in relation to the Placing
"Placing Completion Date"	the date on which the Placing is completed in accordance with the Placing Agreement, expected to be the second (2nd) Business Day after the date on which the Listing Approval is granted but in any event no later than June 25, 2026, or such other date as may be agreed between the Company and the Placing Agents in writing
"Placing Price"	HK$173.40 per Placing Share
"Placing Share(s)"	an aggregate of up to 2,259,300 new H Shares to be issued and allotted by the Company pursuant to the Placing Agreement
"Pre-IPO Share Option Scheme"	the pre-IPO share option scheme adopted by the Company on August 4, 2025
"PRC" or "China"	the People's Republic of China (for the purposes of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
"Prospectus"	the prospectus of the Company dated September 18, 2025 in connection with the listing of the H Shares on the Main Board of the Hong Kong Stock Exchange on September 30, 2025
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising H Shares and Domestic Shares
"Shareholder(s)"	holder(s) of the Shares

"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"trading day"	a day on which the Hong Kong Stock Exchange is open for the trading of securities
"treasury shares"	has the meaning ascribed thereto under the Listing Rules
"%"	per cent.

By order of the Board
PATEO CONNECT Technology (Shanghai) Corporation
Ying Zhenkai
Chairman of the Board

Shanghai, the PRC, June 17, 2026

As at the date of this announcement, the Board comprises Mr. Ying Zhenkai, Mr. Zhang Fukai, Ms. Xu Zhenhui and Mr. Lai Weilin as executive Directors; Mr. Zhang Yi as an employee Director; Mr. Wang Bihui, Mr. Ma Xiaoyong and Mr. Gu Yuekun as non-executive Directors; and Dr. Li Yuanpeng, Mr. Pang Chunlin, Mr. Zhang Xiaoliang, Dr. Liu Gongshen, Ms. Xu Lili, Dr. Gu Jinyu and Dr. Huang Xiaolin as independent non-executive Directors.