Fibocom Wireless Inc.
深圳市廣和通無線股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 00638)

Termination of the 2026 Employee Stock Ownership Plan

Reference is made to the circular of the 2026 first extraordinary general meeting (the "**EGM**") dated February 9, 2026 (the "**Circular**") and the poll results dated March 5, 2026 of Fibocom Wireless Inc. (the "**Company**"), in relation to the adoption of the 2026 Employee Stock Ownership Plan by the Company. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the above-mentioned poll results and the Circular.

To improve the mechanism for sharing benefits between employees and owners, the Company implemented the 2026 Employee Stock Ownership Plan upon approval by the Company's Board meeting and the EGM. The participants under the 2026 Employee Stock Ownership Plan (the "**Participants**") include the Company's directors (excluding independent directors), senior management members, middle management members and key technical and business personnel (not exceeding 269 in total). The source of shares for the 2026 Employee Stock Ownership Plan consists of the Company's ordinary RMB shares (A shares) repurchased through the Company's dedicated securities account for share repurchases, with the purchase price for the Company's repurchased shares being RMB15.10 per share under the 2026 Employee Stock Ownership Plan. As of the date of this announcement, the execution of the grant agreements and the payment of the subscription funds under the 2026 Employee Stock Ownership Plan have not yet been completed.

As the Company's share price has declined significantly since the launch of the 2026 Employee Stock Ownership Plan, resulting in low employee willingness to participate in the subscription, the Board of Directors of the Company has, after careful deliberation and with due consideration of employees' willingness to participate, their personal interests, and the Company's long-term development, resolved on July 6, 2026 to terminate the 2026 Employee Stock Ownership Plan ahead of schedule, and the Administration Measures for the 2026 Employee Share Ownership Plan and other ancillary documents accordingly.

Pursuant to the Company's 2026 Employee Stock Ownership Plan (Draft) and the resolutions of the Company's EGM, the termination of the 2026 Employee Stock Ownership Plan falls within the authority of the Board of Directors and is not required to be submitted to the general meeting for consideration. Mr. Xu Ning and Ms. Chen Qihua (executive Directors), as Participants under the 2026 Employee Stock Ownership Plan, have abstained from voting at the Board meeting on the resolution to consider and approve the termination of the 2026 Employee Stock Ownership Plan. Save as disclosed above, no other director held or was deemed to hold any material interest in the above matter and none were required to abstain from voting on the relevant resolution at the Board meeting.

The termination of the 2026 Employee Stock Ownership Plan by the Company is in compliance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidance Opinions on the Pilot Implementation of Employee Stock Ownership Plan by Listed Companies and other applicable laws, regulations and normative documents, as well as the provisions of the Company's 2026 Employee Stock Ownership Plan (Draft). The termination will not give rise to any circumstances that would harm the interests of the Company and its Shareholders as a whole, nor will it adversely affect the Company's development strategy, operational plans, or the diligence and dedication of its management and key employees.

Going forward, the Company will, in light of its development needs, changes in regulatory policies and market conditions, select appropriate means to continuously improve its long-term and effective incentive mechanisms, attract and retain talented individuals, give full play to the initiative and creativity of its core key employees, and promote the healthy development of the Company.

By order of the Board
Fibocom Wireless Inc.
Zhang Tianyu
Chairman

The PRC, July 6, 2026

As of the date of this announcement, the Board of the Company comprises Mr. Zhang Tianyu, Mr. Ying Lingpeng, Mr. Xu Ning and Ms. Chen Qihua as executive directors, Mr. Wang Ning, Ms. Zhao Jing and Mr. Wu Chenggang as independent non-executive directors.