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Tiangong International Company Limited

天工國際有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 826)

VOLUNTARY ANNOUNCEMENT UPDATE ON THE PROJECT OF MILLING CUTTERS AND DRILL BITS FOR PRINTED CIRCUIT BOARD (“PCB”)

This is a voluntary announcement made by Tiangong International Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

JOINT ESTABLISHMENT OF JIANGSU TIANGONG ELECTRONICS TECHNOLOGY CO., LTD.* (江蘇天工電子科技有限公司) (THE “PROJECT COMPANY”)

Reference is made to the voluntary announcement of the Company dated 7 July 2026. The board of directors of the Company (the “**Board**”) is pleased to announce that on 23 July 2026, Jiangsu Tiangong Carbide Technology Company Limited* (江蘇天工硬質合金科技有限公司) (“**Tiangong Carbide**”), an indirectly owned subsidiary of the Company, entered into a joint venture agreement (the “**Joint Venture Agreement**”) with Shenzhen Mingchuangjin Investment Partnership Enterprise (Limited Partnership)* (深圳銘創金投資合夥企業(有限合夥)) (“**Mingchuangjin Investment**”) and Dongguan Fanyu Automation Technology Company Limited* (東莞市梵宇自動化科技有限公司) (“**Fanyu Technology**”) (collectively, the “**Joint Venture Parties**”), to jointly establish Jiangsu Tiangong Electronics Technology Co., Ltd.* (江蘇天工電子科技有限公司) (provisional name; the final name is subject to approval by the registration authority). On the basis of equality, voluntariness and mutual agreement, the parties will leverage their respective advantages in market resources, sales channels, technological research and development, production management, cost control and interconnectivity in the field of PCB precision machining tools to cooperate in developing PCB precision cutting tools projects.

The principal business scope of the Project Company will include the production of precision cutting tools and automatic measuring instruments, specialised electronic equipment and instruments, the manufacture and maintenance of tools and dies, as well as the sale of self-produced products; mechanical and laser drilling processing of PCBs, as well as leasing of self-owned equipment; wholesale, import and export and commission agency (excluding auctions) of goods similar to the abovementioned products, as well as the provision of related supporting services (the abovementioned goods do not involve products subject to state trading, import or export quota licences, export quota bidding, export licences or other special administration).

INFORMATION ON THE PARTIES TO THE JOINT VENTURE AGREEMENT

1. Tiangong Carbide

Tiangong Carbide is a limited liability company established in the People's Republic of China ("PRC"), and is principally engaged in the manufacture of metal materials; sale of non-ferrous metal alloys; manufacture of metal tools; sale of metal tools; manufacture of moulds; sale of moulds; sale of new metal functional materials; metal cutting and processing services; manufacture of bearings, gears and transmission components; sale of high-speed precision gear transmission systems; sale of bearings, gears and transmission components; information systems integration services; research and development of new materials' technology; technical services, technical development, technical consultancy, technology exchange, technology transfer and technology promotion; import and export of goods; recovery of scrap metal from production; and recovery of recyclable resources (excluding scrap metal from production).

2. Mingchuangjin Investment

Mingchuangjin Investment is a limited partnership established in the PRC, and is principally engaged in investment activities using its own funds; venture capital investment (limited to investment in unlisted companies); corporate headquarters management; corporate management; corporate management consultancy; financing consultancy services; supply chain management services; information consultancy services (excluding information consultancy services subject to licensing); and information technology consultancy services.

3. Fanyu Technology

Fanyu Technology is a limited liability company established in the PRC, and is principally engaged in the research and development, processing, assembly, manufacture and sale of automation equipment, precision equipment and components, electronic equipment, electronic products and metal products; and the import and export of goods and technology. It is a leading domestic manufacturer of PCB drill bits production and testing equipment.

PRINCIPAL TERMS OF THE JOINT VENTURE AGREEMENT

The principal terms of the Joint Venture Agreement are as follows:

Joint Venture Parties	Proposed capital contribution (RMB)	Proposed shareholding of the Project Company (%)	Method of contribution	Number of directors to be appointed
Tiangong Carbide	21,000,000	70	Cash	3
Mingchuangjin Investment	6,000,000	20	Cash	1
Fanyu Technology	3,000,000	10	Cash	1
	<u>30,000,000</u>	<u>100</u>		<u>5</u>

The board of directors of the Project Company shall consist of five members, appointed by the respective parties in accordance with the above quotas. The chairman shall be appointed from among the directors nominated by Tiangong Carbide, with a term of three years and subject to renewal. The general manager shall be recommended by Mingchuangjin Investment and appointed by the board of directors, and a performance evaluation mechanism shall be established.

During the term of existence of the Project Company, any technical achievements, process documents, customer data, trademarks and patents developed or generated by the Project Company shall, in principle, be owned by the Project Company. The pre-existing intellectual property rights of the Joint Venture Parties shall remain vested in their respective original owners (unless legally transferred to the Project Company). Where the Project Company uses any pre-existing technology of the Joint Venture Parties, a separate licensing agreement shall be entered into to specify the scope, term, fees and ownership of any improvements arising therefrom.

REASONS AND BENEFIT OF THE PROJECT

Taking into account the sharp rise in demand for PCBs driven by AI computing infrastructure and server upgrades, and in line with the strategic direction of high-end manufacturing and intelligent development, and to accelerate the digitalisation, intelligentisation, and green transformation of the high-end PCB precision cutting tools industry chain, the Group has decided to jointly establish the Project Company and set the operational target that the production capacity would eventually achieve an annual production and sales volume of 300 million PCB drill bits and 100 million milling cutters.

The Board considers that the Project Company can leverage the resources and strengths of the Joint Venture Parties in the field of precision PCB machining tools to consolidate the Group's supply chain advantages in high-end and cutting-edge downstream sectors, thereby enhancing the Group's profitability. In view of the above, the Board considers that the joint establishment of the Project Company is in the interest of the Company and its shareholders as a whole.

GENERAL

To the best of the knowledge, information and belief of the Board having made all reasonable enquiries, each of the Joint Venture Parties and their ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company.

This announcement is a voluntary announcement made by the Company to keep the shareholders and potential investors informed of the latest business development of the Group. The Company will make appropriate disclosure from time to time on the progress of the development of the Project.

By Order of the Board
Tiangong International Company Limited
Zhu Xiaokun
Chairman

Hong Kong, 23 July 2026

As at the date of this announcement, the Directors of the Company are:

Executive Directors: ZHU Xiaokun, ZHU Zefeng, WU Suojun and Zhu Zhonghua

Independent non-executive Directors: LEE Cheuk Yin, Dannis, WANG Xuesong and QIN Ke

* *For identification purpose only*