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

EQUITY INVESTMENT IN DRILL BITS FOR PRINTED CIRCUIT BOARD (''PCB'') BUSINESS

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

EQUITY INVESTMENT IN DRILL BITS FOR PCB BUSINESS

The board of directors (the "Board") of the Company is pleased to announce that on 15 September 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 an equity cooperation memorandum with Henan Zuoneng Precision Company Limited* (河南省佐能精工有限公司) ("**Zuoneng Precision**") and its four original shareholders (the "**Original Shareholders**"). Accordingly, Tiangong Carbide will purchase approximately 48.42% equity of Zuoneng Precision from the Original Shareholders for a total consideration of RMB46,000,000. At the same time, Tiangong Carbide will further subscribe for new equity in Zuoneng Precision for RMB5,000,000, which will then account for 51.00% of Zuoneng Precision's enlarged registered share capital after subscription.

Information on the parties to the equity transfer

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. **Original Shareholders**

   Including Sun Weixing, Li Dawei, Li Ziliang, and Liu Guoqing, all Chinese natural persons, who jointly invested to establish Zuoneng Precision, possessing customer resources in the drill bit for PCB business and experience in drill bit for PCB processing.

Terms of the equity transfer

Pursuant to the equity cooperation memorandum, Tiangong Carbide will acquire approximately 48.42% equity in Zuoneng Precision from the Original Shareholder for a consideration of RMB46,000,000. The consideration was arrived at after arm's length negotiated between the parties to the equity transfer with reference to the pre-investment valuation of RMB95,000,000, calculated based on the 2026 estimated net profit after tax of Zuoneng Precision of RMB9,500,000.

Upon the completion of the equity transfer, the equity structure of Zuoneng Precision is expected to be as follows:

Name of shareholder	**Registered Capital (RMB'000)**	**Shareholding Ratio (%)**
Tiangong Carbide	3,228.07	48.42
Sun Weixing	2,407.02	36.11
Li Dawei	515.79	7.74
Li Ziliang	292.27	4.38
Liu Guoqing	223.51	3.35
Total	**6,666.66**	**100.00**

Information on the parties to the equity subscription

1. **Tiangong Carbide**

2. **Zuoneng Precision**

   Zuoneng Precision is a limited liability company established in the PRC, which principally engaged in the manufacturing and research and development of hardware products; manufacturing of electronic components and electromechanical equipment; manufacturing of specialized electronic materials; import and export of goods; wholesale and retail of hardware products; sales of electronic products (excluding items subject to statutory approval, business activities may be carried out independently with a business license).

In accordance with the equity cooperation memorandum, the details of the equity subscription are as follows:

Name of allottee	Subscription of additional Registered Capital (RMB'000)	Subscription Amount (RMB'000)	Consideration
Tiangong Carbide	350.87	5,000	Cash

Upon the completion of the equity subscription, the shareholding structure of Zuoneng Precision is expected to be as follows:

Name of shareholder	Registered Capital (RMB'000)	Shareholding Ratio (%)
Tiangong Carbide	3,578.94	51.00
Sun Weixing	2,407.02	34.30
Li Dawei	515.79	7.35
Li Ziliang	292.27	4.16
Liu Guoqing	223.51	3.19
Total	**7,107.54**	**100.00**

Reasons for and benefits of the equity investment

Zuoneng Precision specializes in research and development, production, and sales of precision tools for PCB processing. Zuoneng Precision possesses a monthly production capacity of 5 million drill bits for PCB and is capable of mass-producing bits as small as 0.03 mm in diameter, supplying standard and customized precision tools to over a hundred renowned domestic PCB manufacturers. Its management team has more than 20 years of experience in the field of research and development and manufacturing of drill bit, backed by solid technical expertise and a strong market foundation. Recognized as a High-Tech Enterprise, a National-level Science and Technology-based small and medium enterprise ("**SME**"), and an Innovative SME in Henan Province, Zuoneng Precision holds 15 utility model patents and 2 software copyrights.

The Group is expected that cooperation with Zuoneng Precision will accelerate its entry into the market for PCB precision machining tools, such as drill bits of PBC, and that, following its equity investment and the subsequent integration of corporate governance, the Group will be able to further expand its presence within this market segment.

The transfer and subscription price was determined with reference to comprehensive consideration of the industry, growth, net assets per share, industry level average price-earnings ratio and other factors of Zuoneng Precision. It is intended that Tiangong Carbide would fund its capital contribution out of its internal resources. The directors of the Company believe that the terms of the equity cooperation memorandum are fair and reasonable and in the interests of the shareholders of the Company.

The document signed is an equity cooperation memorandum. The Group will proceed to conduct an audit and valuation of Zuoneng Precision. The proposed equity transfer and subscription may not necessarily be completed. Shareholders and investors are reminded to exercise caution when dealing in the securities of the Company.

GENERAL

To the best of the knowledge, information and belief of the directors of the Company having made all reasonable enquiries, Zuoneng Precision and the ultimate beneficial owner of Zuoneng Precision are third parties independent of the Company and connected persons of the Company. As all of the relevant percentage ratios (as defined under Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules")) in respect of the total transfer and subscription amount to be provided by Tiangong Carbide under the equity cooperation memorandum are less than 5%, the equity cooperation memorandum and the transactions contemplated thereunder are not subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules, and this announcement is made by the Company on a voluntary basis.

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

Hong Kong, 15 September 2026

As at the date of this announcement, the directors of the Company are:
Executive Directors: ZHU Xiaokun, ZHU Zefeng, XU Huixia and ZHU Zhonghua
Independent non-executive Directors: LEE Cheuk Yin, Dannis, WANG Xuesong and QIN Ke
** For identification purpose*