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Fortior Technology (Shenzhen) Co., Ltd.

峰 峒 科 技 (深 圳) 股 份 有 限 公 司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 1304)

MAJOR TRANSACTION ACQUISITION OF THE TARGET SHARES AND THE TARGET DEBT

THE ACQUISITION

The Board is pleased to announce that on 30 September 2026 (after trading hours), Fortior Microelectronics entered into the Share Purchase Agreement with the Seller and the Target Company, pursuant to which Fortior Microelectronics has conditionally agreed to acquire, and the Seller has conditionally agreed to sell, 100 shares of the Target Company, representing all issued and outstanding shares of the Target Company. The Share Consideration payable by the Purchaser to the Seller for the Target Shares is up to USD95,783,300, comprising (i) fixed consideration of USD60,783,300, and (ii) variable consideration of up to USD35 million, which is contingent upon the Target Company's revenue performance.

In addition, pursuant to the Share Purchase Agreement, the Seller has agreed to assign to the Purchaser all of its rights and interests in the receivables owed by the Target Company to the Seller under the Target Debt. The Debt Consideration is USD22,216,796, equal to the aggregate principal of and accrued interest on relevant Target Debt.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As one or more of the applicable percentage ratios for the Acquisition in accordance with the Hong Kong Listing Rules exceed 25% but are lower than 100%, the Acquisition constitutes a major transaction of the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

The Acquisition will be subject to the approval by the Shareholders at the EGM. As at the date of this announcement, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, none of the Shareholders or any of their close associates has a material interest in the Acquisition. Accordingly, no Shareholders are required to abstain from voting on the relevant resolutions to be proposed at the general meeting to approve the Acquisition and the transactions contemplated under the Share Purchase Agreement.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further details of the Acquisition; (ii) the financial information of the Target Group; (iii) the unaudited pro forma financial information of the Group upon the Acquisition; (iv) the Valuation Report; and (v) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 5 November 2026 as more time is required for the Company to prepare the circular.

The Acquisition is subject to the satisfaction (or, if applicable, waiver) of various Conditions Precedent and as such, the Acquisition may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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Principal terms of the Share Purchase Agreement

The principal terms of the Share Purchase Agreement are set out below:

(1) Date

30 September 2026 (after trading hours)

(2) Parties

- a) Fortior Microelectronics, as the Purchaser;
- b) Sciosense Holding B.V., as the Seller; and
- c) Sciosense B.V., as the Target Company.

(collectively as the “**Parties**”, each individually as a “**Party**”)

(3) The Acquisition

Pursuant to the terms and conditions of the Share Purchase Agreement, the Seller will sell, and the Purchaser will acquire, 100 shares of the Target Company, representing all issued and outstanding shares of the Target Company.

(4) Consideration and Payment Terms

A. Share Transfer

Pursuant to the Share Purchase Agreement, the total consideration payable by the Purchaser to the Seller for the Target Shares is up to USD95,783,300, of which USD60,783,300 is fixed and up to USD35 million is variable and contingent upon the Target Company’s revenue performance as described below.

First Tranche Share Consideration

The first tranche share consideration is USD60,783,300, less the costs of the warranty and indemnity insurance of USD489,308 (the “**First Tranche Share Consideration**”). The First Tranche Share Consideration, together with the Debt Consideration, in an aggregate amount of USD82,510,788, shall be deposited by the Purchaser into the account designated by the notary prior to the Closing Date, and shall be released by the notary to the Seller on the Business Day following the Closing Date.

Second Tranche Share Consideration

The second tranche share consideration is up to USD12 million, payable by reference to the Target Company's revenue for the financial year ending 31 December 2026 (the "**Second Tranche Share Consideration**"), as confirmed in a special report on the Target Company for the year ending 31 December 2026 (the "**2026 Special Report**") to be issued by the auditor jointly engaged by the Purchaser and the Seller before 31 March 2027. The amount payable shall be determined as follows:

Revenue for FY2026 of at least (EUR'10,000)	Second Tranche Share Consideration payable (USD million)
3,850	12
3,805	9
3,761	6
3,717	3
Less than 3,717	Nil

If the PRC investment amount obtained by the Purchaser under PRC Approvals prior to the Closing Date includes the Second Tranche Share Consideration, the Purchaser shall pay the Second Tranche Share Consideration to the Seller within thirty (30) days from the date of issuance of the 2026 Special Report; otherwise, it shall pay the Second Tranche Share Consideration to the Seller on or before the earlier of (i) the date falling three (3) months after the issuance of the 2026 Special Report, and (ii) 30 June 2027.

Third Tranche Share Consideration

The third tranche share consideration is up to USD23 million, payable by reference to the Target Company's aggregate revenue for the three financial years from 2026 to 2028 (the "**Third Tranche Share Consideration**"), as confirmed in a special report on the Target Company for the years 2026 to 2028 (the "**2026-2028 Special Report**") to be issued by the auditor jointly engaged by the Purchaser and the Seller before 31 March 2029. The amount payable shall be determined as follows:

Aggregate revenue for FY2026-FY2028 of at least (EUR'10,000)	Third Tranche Share Consideration payable (USD million)
16,000	23
14,856	17.25
13,713	11.5
12,570	5.75
Less than 12,570	Nil

If the PRC investment amount obtained by the Purchaser under PRC Approvals prior to the Closing Date includes the Third Tranche Share Consideration, the Purchaser shall pay the Third Tranche Share Consideration to the Seller within thirty (30) days from the date of issuance of the 2026-2028 Special Report; otherwise, it shall pay the Third Tranche Share Consideration to the Seller on or before the earlier of (i) the date falling three (3) months after the issuance of the 2026-2028 Special Report, and (ii) 30 June 2029.

B. Debt Assignment

Pursuant to the Share Purchase Agreement, the Seller has agreed to assign to the Purchaser all of its rights and interests in the receivables owed by the Target Company to the Seller under the Target Debt. The Debt Consideration is USD22,216,796, being the aggregate outstanding principal of EUR19,181,023.75 and accrued interest of EUR317,656.13 on the Target Debt as at the base date (i.e. 30 June 2026), converted at the exchange rate of EUR1 = USD1.1394. The Debt Consideration shall be paid in one lump sum together with the First Tranche Share Consideration.

(5) *Conditions Precedent to Closing*

Closing is subject to the satisfaction of the following conditions precedent:

- a) The Purchaser has obtained the approval of the Shareholders' meeting of the Company in respect of the Acquisition;
- b) The Seller and the Target Company have obtained the corresponding approvals and authorizations, including but not limited to the resolutions of the board of directors and the shareholders' meeting approving the Acquisition, and have provided the Purchaser with corresponding supporting documents;
- c) The regulatory permits, approvals, or consents required for the Acquisition have been obtained in accordance with applicable laws, including but not limited to 1) PRC Approvals; 2) approvals of stock exchanges (if required); 3) domestic and overseas antitrust approvals (if required); 4) approvals from foreign investment approval authorities in the Netherlands, Germany, and Italy, and the decisions/replies/confirmations/notices issued by the competent authorities, including decisions/replies/confirmations/notices that no filing is required, unconditional clearances or approvals without objection, conditional clearances or approvals subject to conditions expressly agreed to and accepted by the Purchaser, or other equivalent evidence obtained through formal filings, pre-consultation, informal consultation, consultation or other means reasonably satisfactory to the Purchaser. If any such response, notification or other communication is made in a non-written form, it shall be confirmed in writing, in a form reasonably satisfactory to the Purchaser, by overseas legal counsel or other professional advisers appointed by the Purchaser. If any approval is subject to conditions, regardless of the form in which such conditions are imposed or expressed, all such conditions shall be expressly agreed to and accepted by the Purchaser;
- d) The Seller has entered into written agreements with the persons granted equity-linked awards under incentive plans of the Target Company, pursuant to which such relevant incentive plans shall be terminated and cancelled and relevant equity-linked awards shall be fully borne and settled by the Seller after the Closing, and the relevant employees have confirmed that they have no disputes with the Target Group;
- e) No material adverse change has occurred in the business, financial status, operations, or other aspects of the Target Group;
- f) There are no disputes involving the Target Shares or the shares of any member of the Target Group, nor any other disputes or controversies that have a material impact on the Acquisition;

- g) The title to the Target Shares and the equity interests of other members of the Target Group are clear, free from any encumbrance of title or restriction on rights in any form, including mortgages, pledges, security interests, or other third-party rights, and there is no restriction on transfer, no litigation or arbitration matters, no judicial measures such as seizure or freezing, nor any other circumstances that would impede the transfer of title, and no third party asserts any pre-emptive right with respect to the transfer of the Target Shares or the equity interests of other members of the Target Group;
- h) The Purchaser has purchased warranty and indemnity insurance in connection with the Acquisition, with the Purchaser as the beneficiary of such insurance; and
- i) The representations and warranties of the Target Company and the Seller are accurate, true, and complete in all material respects, without any material omission or misleading element.

The Purchaser may waive or temporarily waive any of the Conditions Precedent, provided that Conditions Precedent (a) may not be waived under applicable laws and/or the Hong Kong Listing Rules. If the Conditions Precedent have not been fully satisfied or waived within ten (10) months from the date of the Share Purchase Agreement (or such other period as the Purchaser and the Seller may agree in writing), the Party not at fault for such non-fulfilment shall be entitled to unilaterally terminate the Share Purchase Agreement. As at the date of this announcement, none of the Conditions Precedent has been satisfied or waived.

(6) *Termination*

At any time prior to Closing, the Share Purchase Agreement may be terminated under any of the following circumstances:

- a) By mutual agreement of all Parties;
- b) By the non-breaching Party unilaterally, where any Party commits a material breach and fails to remedy such breach within thirty (30) days, and such breach constitutes a fundamental breach rendering the Acquisition incapable of completion and preventing the purpose of the Share Purchase Agreement from being achieved;
- c) If the Closing is rendered impossible due to force majeure; or
- d) Upon occurrence of any termination event as set out in the Share Purchase Agreement.

The Party proposing termination shall give notice in writing, and such notice shall become effective upon service on the other Parties. The termination of the Share Purchase Agreement shall not affect a Party's right to claim liquidated damages and indemnification for losses.

Basis of Determination of Consideration

The Share Consideration was determined after arm's length negotiations between the Purchaser and the Seller, taking into account, among other things, the following factors: (i) the fair value of the entire equity interest in the Target Company as at the Valuation Reference Date (i.e. 30 June 2026), as assessed by the Independent Valuer using the market approach based on the financial data of the Target Company as at 30 June 2026, which amounted to USD95,926.09 thousand; (ii) the revenue performance-based payment arrangements as set out in the section headed "Consideration and Payment Terms" above in this announcement; (iii) the business development and prospects of the Target Company and the potential synergies between the Target Company and the Group; and (iv) the reasons for and benefits of the Acquisition as described in the section headed "REASONS FOR AND BENEFITS OF THE ACQUISITION" below in this announcement. The Debt Consideration is equal to the aggregate principal of and accrued interest on Target Debt.

For a summary of the Valuation Report, including the valuation methodology, key assumptions and key parameters adopted, as well as information on the Independent Valuer, please refer to the section headed "VALUATION" below in this announcement. The Board has carefully reviewed the basis, assumptions and methodology adopted in the Valuation Report and, having considered the valuation and the other relevant factors set out above, is of the view that the Total Consideration (including the Share Consideration and Debt Consideration) is fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Group intends to finance the Total Consideration by net proceeds of HKD740.2 million from the Global Offering, representing the proceeds allocated to strategic investments and/or acquisition to achieve the Group's long-term growth strategies, and the remaining amount from the Company's internal fund resources.

INFORMATION OF THE PARTIES

The Company and the Purchaser

The Company is a joint stock limited company established in the PRC on 21 May 2010, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange, and the A Shares of which are listed on the STAR Market in the PRC. The Company is principally engaged in the design, research and development of brushless direct current motor control integrated circuits.

Fortior Microelectronics is a direct wholly-owned subsidiary of the Company, principally engaged in the research and development, design, and sales of BLDC motor drive control chips product.

The Seller

The Seller is a private limited liability company incorporated under the laws of the Netherlands and is principally engaged in holding and financing activities, and responsible for the overall planning, development, production and distribution management of its application sensor business.

Ruigan (Jinan) Sensor Co., Ltd.* (睿感(濟南)傳感器有限公司) (“**Ruigan (Jinan)**”) holds approximately 47.07% of the equity interests in the Seller, which is a limited liability company established under the laws of the PRC and is principally engaged in the design, development, manufacturing and sales of sensors; the technology development, technical consulting, technical services, technology transfer, design and sales of specialised equipment for semiconductor devices; business information consulting; and import and export activities. It is owned as to 51% by Jinan Zhilu Integrated Circuit Industry Investment Center (Limited Partnership)* (濟南智路集成電路產業投資中心(有限合夥)) (“**Jinan Zhilu**”) and as to 49% by ams-OSRAM AG. Save for Ruigan (Jinan), no other shareholder holds 30% or more interests in the Seller.

Jinan Zhilu is a limited partnership established under the laws of the PRC. Its general partner is Beijing Wise Road Asset Management Co., Ltd.* (北京智路資產管理有限公司) (“**Wise Road**”), which holds a 0.34% partnership interest and is responsible for the management of Jinan Zhilu, and its sole limited partner is Jinan Zhangqiu Holding Group Co., Ltd.* (濟南章丘控股集團有限公司) (“**Jinan Zhangqiu Holding**”), which holds a 99.66% partnership interest of Jinan Zhilu.

Wise Road is a company established under the laws of the PRC focusing on investment opportunities in core technologies for semiconductors, automotive electronics, new energy, and other emerging high-end technologies. Wise Road is owned as to 40%, 35% and 25% by Beijing Qiping Technology Co., Ltd.* (北京啟平科技有限責任公司) (“**Beijing Qiping**”), Guangda Rongxin (Zhuhai Hengqin) Holding Co., Ltd.* (廣大融信(珠海橫琴)控股有限公司) (“**Guangda Rongxin**”) and Beijing Zhiyuanxin Management Consulting Partnership (Limited Partnership)* (北京智元芯管理諮詢合夥企業(有限合夥)) (“**Beijing Zhiyuanxin**”). Beijing Qiping is held as to 76% by Mr. Li Bin, Guangda Rongxin is held as to, directly and indirectly, 75.05% and 24.95% by Mr. Li Bin and Ms. Gao Shan, respectively, and Beijing Zhiyuanxin is held as to 68.67% by Mr. Li Bin.

Jinan Zhangqiu Holding is a company established under the laws of the PRC and is a state-owned enterprise wholly owned by the Finance Bureau of Zhangqiu District, Jinan, whose core businesses include urban development and construction, infrastructure investment and financing, state-owned asset management and industrial equity investment, and primarily responsible for the operation of regional state-owned capital and industrial investment activities.

ams-OSRAM AG is a company incorporated under the laws of Austria whose shares are listed on the SIX Swiss Exchange (ticker: AMS) and which, together with its subsidiaries, is principally engaged in the design, manufacture and sale of optical and sensor solutions.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Seller and its ultimate beneficial owner(s) is an Independent Third Party.

The Target Company

The Target Company is a private limited liability company incorporated under the laws of the Netherlands. The Target Company owns a portfolio of environmental and ultrasonic flow sensor products designed to meet the needs of users in the automotive, industrial, building automation and consumer device markets who require compact, low-power board-mount products and superior sensing performance.

As of the date of this announcement, the Target Company is wholly owned by the Seller.

Set out below is the audited consolidated financial information of the Target Group for the six months ended 30 June 2026 and the two years ended 31 December 2025 and 2024, prepared in accordance with IFRS Accounting Standards.

	For the six months ended 30 June 2026 (audited) <i>EUR '000</i>	For the year ended 31 December 2025 (audited) <i>EUR '000</i>	For the year ended 31 December 2024 (audited) <i>EUR '000</i>
Revenue	16,543	31,924	25,513
Gross Profit	6,546	13,046	8,613
Loss before tax	(948)	(2,766)	(8,165)
Loss for the year/period	(1,001)	(2,974)	(8,324)

As of 30 June 2026, the audited total assets and net assets of the Target Group were EUR27,897 thousand and EUR8,417 thousand, respectively.

After completion of the Acquisition, the Target Company will become an indirect wholly-owned subsidiary of the Company, and the financial results, and the assets and liabilities of the Target Group will be consolidated into the consolidated financial statements of the Group.

VALUATION

The Company has engaged a valuer for the valuation of the entire shareholders' equity of the Target Company as at the Valuation Reference Date in connection with the Acquisition.

According to the Valuation Report, the valuation conclusion of the entire shareholders' equity of the Target Company as at the Valuation Reference Date is as follows: based on the comparable listed companies method, the appraised value of the entire shareholders' equity of the Target Company as at the valuation reference date of 30 June 2026 is EUR84,190.00 thousand. Converted at the EUR/USD central parity rate of 1.1394 published by the European Central Bank (ECB), the appraised value of the entire shareholders' equity is USD95,926.09 thousand. Converted at the RMB mid-rate published by the People's Bank of China on 30 June 2026 (EUR1 = RMB7.7671), the total equity value attributable to the shareholders is RMB653,912.1 thousand. The Valuation Report Date is 29 September 2026, and the Valuation Report is valid for one year, covering the period from the Valuation Reference Date of 30 June 2026 to 29 June 2027.

Valuation Methodology and Reason

The primary methods for enterprise valuation mainly include the income approach, the asset-based approach and the market approach (comprising the comparable listed companies method and the comparable transaction method).

Applicability Analysis of the Income Approach

Based on the historical financial data of the Target Company, it has consistently incurred net losses in recent years, in which there is not yet a stable and verifiable correlation between the enterprise's historical operating performance and its future profitability, and there remains significant uncertainty as to the specific timing of achieving profitability and the level of profitability to be achieved in the future. As the company's management is unable to provide compliant future earnings forecasts, and the valuers cannot reasonably project future earnings based on an analysis of historical operating results, the future expected returns of the subject of valuation, the risks associated with such returns, and the period over which returns may be generated do not have a reliable basis for prediction, this valuation does not meet the basic requirements for using the income approach.

Applicability Analysis of the Asset-based Approach

As a fabless semiconductor company, the Target Company derives its core value not only from tangible resources such as fixed assets and working capital, but also from significant intangible resources including accumulated technology, R&D human capital, barriers to entry related to customer certification, as well as organizational operational systems. As the above resources were either expensed during historical periods without being capitalized on the balance sheet or constitute unidentifiable intangible resources, the asset-based approach cannot adequately identify or separately value such resources, making it difficult to fully reflect the enterprise's overall value.

Applicability Analysis of the Market Approach – Comparable Transaction Method

Although there have been certain M&A transactions in the semiconductor sensor sector in recent years, there are limited comparable transactions that meet the following criteria: the target is a fabless sensor design company serving automotive and industrial end-markets, is in the commercial expansion phase, and has not yet achieved stable profitability. Meanwhile, the pricing bases, payment terms and operational data for certain transactions involve commercial confidentiality, indicating publicly disclosed information is insufficient to reliably derive valuation parameters. In addition, the transactions differ significantly in terms of timing, underlying motives and expected synergies, making it difficult to adequately adjust for factors influencing value. In summary, the data available is insufficient to support the use of the comparable transaction method for this valuation.

Applicability Analysis of the Market Approach – Listed Companies Comparable Method

There are listed companies in the capital market that are similar to the Target Company that focus on sensor chip design and solutions, for which market data sources are transparent. The operational data and valuation multiples of comparable companies can be obtained through public channels, thereby the data available is sufficient to support the use of listed companies comparable method.

In applying the market approach, various value multiples can be calculated based on the market value and operating metrics of the subject of valuation. These include EV/Sales (Enterprise Value-to-Sales), EV/EBITDA (Enterprise Value-to-Earnings Before Interest, Taxes, Depreciation, and Amortization), P/E (Price-to-Earnings), P/B (Price-to-Book), and P/S (Price-to-Sales). Since the subject of valuation is currently incurring continuous losses, earnings-based multiples such as P/E and EV/EBITDA are not applicable. Meanwhile, equity-level multiples such as P/E and P/B are highly susceptible to the scale of net profits and book value of net assets. Since operating revenue directly correlates with the business scale of the enterprise-under-valuation, the EV/Sales multiple, which uses enterprise value as the numerator and operating revenue as the denominator, minimizes the impact of capital structure and historical losses on value comparison. Furthermore, it aligns with the characteristics of high R&D investment and rapid product iteration of the industry.

Key Valuation Assumptions

Basic Assumptions

- 1) Open Market Assumption. The open market assumption posits that for assets traded or intended to be traded in the market, the transacting parties rank pari passu and possess the opportunity and time to access sufficient market information to make rational judgments regarding the assets' functions, uses and transaction prices.
- 2) Transaction Assumption. The transaction assumption posits that all assets subject to valuation are deemed to be in the process of being transacted, and that the valuation personnel simulate market conditions based on the transaction terms of the assets being valued. The transaction assumption constitutes a fundamental premise for the conduct of the valuation.
- 3) Going-concern assumption. The going-concern assumption posits that the entity being valued will, based on its existing assets and resource conditions, continue its operations lawfully and without interruption for the foreseeable future, and will not cease business due to any reason.

General Assumptions

- 1) Assuming that there will be no material changes to the prevailing laws, regulations and policies in the countries where the Target Company operates, or to the macroeconomic situation in such countries, and that the political, economic and social environment in the countries and regions where the parties to the transaction are located will remain materially unchanged;
- 2) Assuming that there will be no material changes to interest rates, exchange rates, tax bases and tax rates, as well as policy-mandated levies and fees following the valuation reference date;
- 3) Assuming that the industry in which the subject-under-valuation operates will maintain a stable development trend, and that there will be no material changes to industry policies, management systems and relevant regulations;
- 4) Assuming that no force majeure events and unforeseeable factors will have a material adverse impact on the subject-under-valuation after the valuation reference date.

Specific Assumptions

- 1) The basic information and financial information provided by the principal and the enterprise-under-valuation are true, accurate and complete. This valuation is based on the business licenses, articles of association, signed agreements, audit reports and financial information provided by the enterprise-under-valuation, without accounting for potential contingent assets and liabilities, nor the impact on the valuation conclusion of any information that the enterprise-under-valuation may have failed to provide;
- 2) Various operational plans formulated by the enterprise-under-valuation can be successfully implemented. The management team of the enterprise-under-valuation will remain diligent and core personnel will remain stable during the future operating period, with the structure of core business operations, the composition of revenue and costs, and the staffing structure of management, sales and R&D personnel across each subsidiary will remain consistent with the enterprise's operational plans and strategies;
- 3) The manner in which the enterprise-under-valuation acquires and utilizes its business premises remains unchanged from the Valuation Reference Date;
- 4) The fairness and impartiality of connected transactions involving the enterprise-under-valuation do not significantly affect its enterprise value as of the reference date, and there will be no material changes to the details, pricing methods and relative proportion of such transactions within the overall business operations following the reference date;
- 5) The securities markets where comparable listed companies are traded are efficient markets, their share trading prices are fair and valid, and market disparities do not significantly affect the enterprise value as of the reference date;
- 6) Information disclosed by comparable listed companies is true, accurate and complete, containing no false statements, erroneous entries, or material omissions that would affect the assessment of value.
- 7) The valuation is based on the macroeconomic, political, industry and market environment in the regions and countries where the subject of valuation operates as of the Valuation Reference Date, as well as the operating conditions of the Target Company at that time, and does not predict any changes in the political, economic, industry policies, international trade, exchange rates, capital markets or other environmental factors that may occur after the Valuation Reference Date, or their impact on the value of the Target Company.
- 8) The valuation assumes that the Target Company's major customers, suppliers, management team and technology research and development team will continue to perform their respective functions normally. No specific forecast has been made regarding any material changes in major customers or orders, changes in supplier relationships, changes in key personnel, or changes in core technologies or intellectual property rights that may occur after the Valuation Reference Date. If any of the above factors undergo material changes, the Target Company's actual operating conditions may differ from the information and assumptions relied upon in this valuation, which may have an impact on the valuation results.

Selection Criteria for Comparable Companies

Following multiple rounds of screening, and taking into account factors such as listing status and history, industry and business relevance, principal products and application fields, business structure and concentration, corporate scale and stage of development, financial condition and data availability, while excluding integrated semiconductor companies, industrial automation and general equipment companies, as well as comprehensive testing, measurement and scientific instrument companies, the valuation team ultimately selected the following five companies as the comparable listed companies:

Company	Stock code	Major comparable business	Major comparable aspects
Sensirion	SENS.SIX	Flow sensors, environmental sensors and automotive sensors	Flow, environmental and automotive sensors
Melexis	MELE.BR	Automotive electronics and sensor-related products	Automotive electronics and sensors
Badger Meter	BMI.N	Flow measurement and related products	Flow sensing and measurement
Hanwei Electronics	300007.SZ	Sensors, environmental monitoring and gas detection	Environmental and gas sensors
Cubic	688665.SH	Gas sensors, environmental monitoring, and automotive-related products	Environmental, gas and automotive sensors

Key Input Parameter Values

This valuation adopts the comparable listed companies method under the market approach, using the enterprise value-to-sales revenue multiple (EV/Sales) as the primary valuation indicator. By identifying comparable listed companies with similar business characteristics, differences between the comparable companies and the Target Company are analyzed in terms of profitability, operating capability, debt risk profile, business growth performance, corporate scale, country risk and market size. Based on the extent to which each adjustment factor affects enterprise value, the EV/Sales multiples of the comparable companies are analysed and adjusted accordingly. On this basis, the enterprise value of the Target Company is determined, and the total equity value attributable to the shareholders of the Target Company is calculated after taking into account factors such as interest-bearing debt as of the Valuation Reference Date, surplus asset value, the net value of non-operating assets (liabilities), and liquidity discounts.

EV/Sales Multiple

Based on the relevant financial and market data of the comparable companies, the pre-adjustment EV/S multiples of the comparable companies are as follows:

(EUR '000, except for EV/S)

	Comparable Company 1 SENS.SIX	Comparable Company 2 MELE.BR	Comparable Company 3 BMLN BADGER	Comparable Company 4 300007.SZ Hanwei	Comparable Company 5 688665.SH
Item	SENSIRION	MELEXIS	METER	Electronics	Cubic
Enterprise Value (EV)	1,066,773.72	3,298,404.99	4,886,468.75	1,563,829.31	860,206.53
Revenue (S)	547,636.84	848,932.27	959,136.12	266,530.56	135,485.88
EV/S	1.95	3.89	5.09	5.87	6.35

After comprehensively adjusting the comparable companies' financial data based on differences in indicators including profitability, growth capability, operating efficiency, solvency and revenue scale, and further taking into account country-specific risk factors and market size, the adjusted EV/S multiples of the comparable companies are as follows:

Company	EV/S before adjustment	EV/S after comprehensive adjustment	EV/S after adjustment for country- specific risk and market size
Sensirion	1.95	1.70	1.75
Melexis	3.89	3.54	3.51
Badger Meter	5.09	4.40	4.28
Hanwei Electronics	5.87	5.83	5.68
Cubic	6.35	6.02	5.86
Average	4.63	4.30	4.22

Based on the calculation, the average EV/S multiple after adjustment for market size was 4.22 times.

Discount for Lack of Marketability (DLOM)

Given that the Target Company is an unlisted company in the Netherlands and that there is no public trading market for its equity interests, the transfer and exit of its equity interests are subject to certain liquidity restrictions compared with equity interests in listed companies. Taking into account the place of incorporation, geographical coverage of business operations and industry characteristics of the Target Company, the valuers conducted a comprehensive analysis of the DLOM with reference to academic studies, market cases and industry statistics relating to the relevant markets in Europe, the United States and China, while considering the applicability and comparability of data from different markets. Based on the principle of prudence, the Valuation ultimately adopted a DLOM of 35.00% for the equity interests of the enterprise being valued.

Valuation Model

The valuation adopts the full-investment value ratio approach, and the valuation model is as follows:

Total shareholders' equity value = (valuation multiple of the enterprise-under-valuation × corresponding operating metric of the enterprise-under-valuation – interest-bearing debt) × (1 – liquidity discount) + value of surplus assets + net value of non-operating assets (liabilities)

$$E = (X \times VR - D) \times (1 - \xi) + C + N$$

Based on revenue of EUR16,543.46 thousand for the period from January to June 2026, the annualised revenue was EUR33,086.93 thousand. Using the annualised revenue of EUR33,086.93 thousand of the subject of valuation as at 30 June 2026 as the financial figure, and applying the adjusted EV/S multiple of 4.22 times, the enterprise value of the operating business was calculated to be EUR139,486.85 thousand.

Based on the enterprise value of the operating business, interest-bearing debt of EUR8,408.31 thousand was deducted. As the subject of valuation had no minority interests, the adjustment for minority interests was nil. After the above adjustments, the equity value of the operating business was EUR131,078.54 thousand.

Considering that the subject of valuation is an unlisted company without access to a public trading market or immediate realisation of its equity interests, a DLOM of EUR45,877.49 thousand was calculated based on the aforementioned discount for lack of marketability of 35.00%. As no control premium was considered in this valuation, both the control premium rate and the control premium were nil.

After deducting the DLOM from the equity value of the operating business and adding back the value of surplus assets of nil and the net value of non-operating assets (liabilities) of negative EUR1,013.50 thousand, the rounded value of the entire shareholders' equity of the subject of valuation was determined to be EUR84,190.00 thousand.

Unit: EUR'000

Calculation process	Subject	Amount or multiple
	Value ratio (EV/S)	4.22
Multiply by	Financial metric of the enterprise-under-valuation (S)	33,086.93
Equal to	Operating enterprise value	139,486.85
Less	Interest-bearing debt	8,408.31
Less	Minority shareholders' interests	—
Equal to	Operating equity value	131,078.54
	Discount for lack of marketability (DLOM) rate	35.00%
Less	Discount for lack of marketability (DLOM)	45,877.49
	Control premium rate	—
Add	Control premium	—
Add	Surplus asset value	—
Add	Net value of non-operating assets (liabilities)	<u>-1,013.50</u>
Total shareholders' equity value		<u>84,190.00</u>

Based on the assumptions set out in the Valuation Report and using the market approach, the total equity value of the Target Company (on a consolidated basis) is estimated at EUR84,190.00 thousand. Converted at the EUR/USD mid-rate of 1.1394 published by the European Central Bank (ECB), the estimated total shareholders' equity value is USD95,926.09 thousand. Converted at the RMB mid-rate published by the People's Bank of China on 30 June 2026 (EUR1 = RMB7.7671), the total equity value attributable to the shareholders is RMB653,912.1 thousand.

Note: The financial data adopted in the Valuation Report are based on the data set out in the audit report issued by Zhongxinghua Certified Public Accountants LLP (中興華會計師事務所(特殊普通合伙)) in accordance with the China Accounting Standards for Business Enterprises.*

Identity, Independence and Qualifications of the Independent Valuer

Beijing Guorong Xinghua Asset Valuation Co., Ltd.* (北京國融興華資產評估有限責任公司) was engaged by the Company to act as the independent valuer for this transaction. To the best of the Directors' knowledge, information, and belief, having made all reasonable enquiries, as at the date of this announcement, the Company is not aware of any relationship or interest between the valuer and the Group, the Purchaser, the Seller, or any of their respective substantial shareholders, directors, chief executives, or their respective associates that could reasonably be considered to affect the valuer's independence. The valuer has confirmed its independence to the Company. Accordingly, the Directors consider the valuer qualified to conduct the valuation independently.

The valuation project was executed by Ms. Xin Na and Ms. Yuan Fei, who were appointed by Beijing Guorong Xinghua Asset Valuation Co., Ltd. Both individuals hold the qualification of Certified Public Valuer in China and are practicing members of the China Appraisal Society, possessing the professional qualifications and experience required to conduct this valuation. To the best of the Directors' knowledge, Ms. Xin Na and Ms. Yuan Fei possess relevant experience in asset valuation and are subject to the professional standards and code of conduct of the China Appraisal Society. Ms. Xin Na has participated in valuation work for major transactions – such as share issuance and cash payments for asset acquisitions – involving multiple listed companies, and possesses extensive practical experience in securities-related valuation services. Based on the foregoing, the Directors consider the valuer qualified and capable of independently conducting this valuation.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Fortior Technology focuses on the core sector of motor control ICs. Grounded in innovations spanning IC design, motor control algorithms and motor technology, and leveraging deep technical expertise in motor control MCUs, dedicated ASICs, driver chips and intelligent power modules, the Company provides diverse chip products and system-level solutions to customers across industries such as industrial control, automotive electronics and home appliances, striving to become a global supplier in core chips for motor drives.

Sciosense is a specialized semiconductor sensor company headquartered in the Netherlands. Operating primarily under a fabless business model, it focuses on the R&D, design and sales of integrated circuits and solutions – including flow, gas, temperature/humidity and pressure sensors. With a prolonged accumulation of sensor technology R&D, Sciosense has built a robust technical foundation in areas such as ultra-low power consumption, transit-time algorithms, solid-state chemical gas sensing, MEMS sensing and sensor signal conditioning. It possesses strong specialized competitive advantages in niche sectors such as ultrasonic flow metering chips and stands as a benchmark technology solution provider in the global intelligent ultrasonic metering market. Sciosense’s products currently target markets including intelligent water meters, heat meters, automotive, industrial applications, building automation and consumer electronics. It boasts a solid customer base featuring renowned clients such as Mercedes-Benz, BMW and Tesla, and a long-standing reputation for technical excellence. It competes globally against major industry players such as Sensirion, Bosch Sensortec, Infineon Technologies and STMicroelectronics.

The acquisition of Sciosense is a significant move based on long-term strategic planning. It can generate strong synergies between the Company and Sciosense across areas such as motor drive and high-precision sensing technologies, products, markets, branding and supply chains. This initiative further strengthens the core competitiveness of the Company’s major business, consolidates its market-leading position in the motor control and driver chip industry, and fill the gap in domestic market.

(1) The Acquisition marks a pivotal step for Fortior Technology’s transition into a provider of integrated “sensing – decision – execution” solutions

Fortior Technology has established a full-chain technical ecosystem spanning “IC design, drive architecture and motor hardware” within the BLDC motor driver and control sector. However, its strengths in main control chip computing power and algorithms have historically focused on the motion execution stage. High-performance motion control systems require various sensors to capture real-time physical parameters – such as position, speed, torque, flow rate, pressure and tactile feedback – and relay the actual operating status back to the controller. This creates a complete “command output – status acquisition – error correction” closed-loop, enabling dynamic power output adjustments and ensuring that actuators achieve high-precision operation. The acquisition of Sciosense enables the Company to complement the “physical sensing” in its portfolio. Fundamentally, this is a pivotal strategic move in its transition from a supplier of standalone drive and control chips to a provider of integrated “sensing, decision and execution” solutions.

In terms of the underlying logic of its product roadmap, the Acquisition represents more than a simple business expansion. It directly enhances the compatibility between the existing controller chips and external sensors. This significantly streamlines the adaptability R&D process for downstream customers integrating third-party sensors with Fortior Technology's chips, thereby enabling faster product upgrades, reduced R&D costs and improved performance, while also reducing the size of control systems and broadening the future application scope of the products.

In terms of the path to commercialization, having bolstered its physical sensing capabilities, Fortior Technology has expanded its product portfolio beyond mere drive and control chips to offer comprehensive solutions for high-growth sectors such as automotive electronics, industrial control and artificial intelligence. This move further strengthens and broadens the Company's R&D capabilities in high-end motor control systems, enabling it to align with the rapid, multi-scenario evolution of artificial intelligence.

(2) The Acquisition builds a bridge for the Company's own overseas expansion strategy based on a dual-drive framework of "driver control chips + sensor products"

Upon completion of the acquisition of Sciosense, Fortior Technology has gained direct access to the company's long-established overseas marketing network and customer base. This creates a dual-drive bridge combining "driver control chips + sensor products" that accelerates the Company's expansion into global markets.

The Target Company maintains direct operations in key European industrial hubs – such as Eindhoven, Netherlands, and Reutlingen, Germany – while also deploying localized sales and technical support teams across North America and the Asia-Pacific region. This well-established channel network cultivated over years in the sensor sector creates a powerful synergy with Fortior Technology's control chip, which allows the Company to leverage existing mature channels to bypass the massive investment and lengthy timelines typically required to build an overseas sales infrastructure, thereby drastically accelerating the customer qualification and adoption process. Furthermore, by capitalizing on the Target Company's decade-plus reputation in European smart metering and automotive air quality sensing, Fortior Technology enters the overseas market not merely as an unfamiliar vendor of standalone chips, but as a provider of key components and integrated solutions spanning "sensing + drive control". Leveraging established brand trust among local clients, the Company can rapidly penetrate high-barrier markets such as European industrial server systems, automotive motor control and AI applications, and progressively build a distinctive global competitive advantage that sets it apart from local incumbents.

(3) The Acquisition facilitates the formation of a complete, synergistic closed loop across the manufacturing, product and market sides, enabling effective integration

As an overseas sensor manufacturer, the Target Company has long relied on a high-cost European contract manufacturing ecosystem for chip fabrication, packaging and testing. When combined with local labor costs, equipment depreciation and supply chain markups, this resulted in consistently high overall manufacturing costs and a slow pace of product iteration. These factors created a bottleneck, hindering the Target Company from scaling up sales in the global mid-to-high-end market when competing against major international players and rivals benefiting from economies of scale.

Fortior Technology possesses extensive expertise in signal processing, drive control and chip technology, while the Target Company boasts exceptional technical capabilities across a range of sensors. The Acquisition enables the development of integrated products offering superior performance, broader application scope and greater cost-effectiveness, thereby paving the way for the Company's healthy future growth.

Upon completion of the Acquisition, Fortior Technology will be able to deeply integrate its own mature supply chain resources cultivated over years in the semiconductor industry, alongside with the Target Company's contract manufacturing system. By leveraging the economies of scale and cost advantages of its own supply chain, the Company can directly achieve structural cost reductions in manufacturing. Furthermore, the Target Company's sensor products can rapidly penetrate domestic markets, such as industrial control and automotive electronics, by capitalizing on Fortior Technology's local customer base and its responsive, localized customer service capabilities. Therefore, the Acquisition fosters a synergistic closed-loop across manufacturing, product and market sides, ultimately delivering a mutually beneficial outcome for all parties.

Taking into account the above, the Directors (including the independent non-executive Directors) consider that the Acquisition has been conducted on normal commercial terms which are fair and reasonable and is in the interests of the Company and its Shareholders as a whole. No Directors have material interests and are required to abstain from voting on the resolution to approve the Share Purchase Agreement and the transactions contemplated thereunder.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As one or more of the applicable percentage ratios for the Acquisition in accordance with the Hong Kong Listing Rules exceed 25% but are lower than 100%, the Acquisition constitutes a major transaction of the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, none of the Shareholders or any of their close associates has a material interest in the Acquisition. Accordingly, no Shareholders are required to abstain from voting on the relevant resolutions to be proposed at the general meeting to approve the Acquisition and the transactions contemplated under the Share Purchase Agreement.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further details of the Acquisition; (ii) the financial information of the Target Group; (iii) the unaudited pro forma financial information of the Group upon the Acquisition; (iv) the Valuation Report; and (v) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 5 November 2026 as more time is required for the Company to prepare the circular.

The Acquisition is subject to the satisfaction (or, if applicable, waiver) of various Conditions Precedent and as such, the Acquisition may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as set forth below:

“A Share(s)”	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which are traded in Renminbi and listed on the STAR Market
“Acquisition”	the proposed acquisition of the Target Shares and the Target Debt by the Purchaser from the Seller pursuant to the Share Purchase Agreement
“Board”	the board of Directors of the Company
“Business Day”	any calendar day on which banks located in the Netherlands, PRC and Hong Kong are generally open for business

“Closing”	the transfer of rights and obligations in respect of the Target Shares, which shall be deemed to occur upon satisfaction or waiver by the Purchaser of the Conditions Precedent and the execution of the Share Transfer Deed by the Purchaser and the Seller before the notary on the Closing Date
“Closing Date”	the date falling on the twentieth (20th) Business Day following the date on which the last of the conditions precedent to Closing set forth in the Share Purchase Agreement has been satisfied or waived, or such other date as may be mutually agreed in writing by the Purchaser and the Seller
“Company” or “Fortior Technology”	Fortior Technology (Shenzhen) Co., Ltd. (峰韶科技(深圳)股份有限公司), a company established under the laws of the PRC on 21 May 2010 and converted into a joint stock company with limited liability on 22 June 2020
“Conditions Precedent”	the conditions precedent set out under the sub-section headed “Conditions Precedent to Closing” in this announcement
“Debt Consideration”	USD22,216,796, being the consideration for the assignment of the Target Debt under the Share Purchase Agreement
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve the Share Purchase Agreement and the transactions contemplated thereunder
“EUR”	Euros, the official currency of the European Union
“Fortior Microelectronics” or “Purchaser”	Fortior Microelectronics (HongKong) Company Limited (峰韶微電子(香港)有限公司), a private company limited by shares incorporated under the laws of Hong Kong on 4 October 2010, and the Company’s direct wholly-owned subsidiary
“Global Offering”	the H Shares offered by the Company for subscription, details of which are set forth in the prospectus of the Company dated 30 June 2025
“Group”	the Company and its subsidiaries from time to time

“H Share(s)”	overseas listed foreign 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 listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HKD”	the lawful currency of Hong Kong
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Third Party(ies)”	any entity(ies) or person(s) who, to the best of the knowledge, information and belief of the Directors, is/are independent of the Company and connected persons (as defined in the Hong Kong Listing Rules) of the Company
“Independent Valuer”	Beijing Guorong Xinghua Asset Valuation Co., Ltd. * (北京國融興華資產評估有限責任公司), the independent professional firm providing valuation and consulting services engaged by the Company for the purpose of the Valuation
“Netherlands”	the Kingdom of Netherlands
“PRC”	the People’s Republic of China
“PRC Approvals”	the filings, registrations and/or approvals required to be made with or obtained from the relevant PRC regulatory authorities in connection with the Acquisition, including: (a) filing of overseas investment with the National Development and Reform Commission of the PRC or its competent local counterpart; (b) filing of overseas investment with the Ministry of Commerce of the PRC or its competent local counterpart and obtaining the Enterprise Overseas Investment Certificate;

(c) completion of the foreign exchange registration for overseas investment with the relevant handling bank approved by the State Administration of Foreign Exchange of the PRC or its competent local counterpart.

“RMB”	Renminbi, the lawful currency of the PRC
“Seller”	Sciosense Holding B.V., a private limited liability company incorporated under the laws of the Netherlands
“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Share Consideration”	Up to USD95,783,300, being the consideration for the transfer of Target Shares under the Share Purchase Agreement, comprising (i) fixed consideration of USD60,783,300, and (ii) variable consideration of up to USD35 million, which is contingent upon the Target Company’s revenue performance
“Share Purchase Agreement”	the share purchase agreement entered into among the Purchaser, the Seller and the Target Company
“Share Transfer Deed”	the notarial deed concerning the transfer of the Target Shares
“STAR Market”	the Science and Technology Innovation Board of the Shanghai Stock Exchange (上海證券交易所科創板)
“substantial shareholder”	has the meaning ascribed to it in the Hong Kong Listing Rules
“Target Company” or “Sciosense”	Sciosense B.V., a private limited liability company incorporated under the laws of the Netherlands, with an aggregate issued share capital of one hundred euros (EUR 100), consisting of 100 fully paid-up shares, each with a nominal value of one euro (EUR 1)
“Target Debt”	all receivables owed by the Target Company to the Seller as at the base date (i.e. 30 June 2026) under the shareholder loans set out in the Share Purchase Agreement
“Target Group”	the Target Company and its subsidiaries collectively

“Target Shares”	the 100 shares of the Target Company to be sold by the Seller and purchased by the Purchaser pursuant to the Share Purchase Agreement
“Total Consideration”	USD118,000,096, being the total consideration under the Share Purchase Agreement, comprising the Share Consideration and the Debt Consideration
“USD”, “US\$” or “U.S. dollars”	United States dollar, the lawful currency of the United States of America
“Valuation”	the valuation of the Target Group conducted by the Independent Valuer for the purpose of assessing the fairness and reasonableness of the Share Consideration
“Valuation Reference Date”	30 June 2026, the reference date of the Valuation Report
“Valuation Report”	the report prepared by the Independent Valuer in respect of the Valuation
“Valuation Report Date”	29 September 2026, the date of the Valuation Report
“%”	per cent

In addition, the terms “associate”, “connected person”, “connected transaction”, “controlling shareholder”, “percentage ratio(s)” and “subsidiary(ies)” shall have the meanings ascribed to them under the Listing Rules.

** For identification purposes only.*

By Order of the Board
Fortior Technology (Shenzhen) Co., Ltd.
BI Lei
Chairman of the Board

Hong Kong, 30 September 2026

As of the date of this announcement, the Directors are: (i) Mr. BI Lei and Dr. BI Chao as executive Directors, and (ii) Dr. LIN Mingyao, Dr. NIU Shuangxia and Mr. CHEN Jingyang as independent non-executive Directors.