

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Crealights Technology Co., Ltd.

北京海光芯正科技股份有限公司

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

(Stock Code: 1191)

PROPOSED CHANGES IN USE OF RAISED FUNDS FROM THE GLOBAL OFFERING

Reference is made to (i) the prospectus (the “**Prospectus**”) of Crealights Technology Co., Ltd. (北京海光芯正科技股份有限公司) (the “**Company**”) dated June 18, 2026 in relation to the listing of the H shares (the “**H Shares**”) of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Global Offering; (ii) the announcement of final Offer Price and allotment results of the Company dated June 26, 2026; (iii) the announcement of the Company dated July 8, 2026 in relation to the full exercise of the Over-allotment Option in connection with the Global Offering (the “**Over-allotment Announcement**”); and (iv) the announcement of the Company dated July 24, 2026 in relation to the stabilizing actions and end of the stabilization period in connection with the Global Offering. Unless the context otherwise requires, capitalized terms used in this announcement shall bear the same meanings as those defined in the Prospectus.

BASIC INFORMATION OF THE USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company issued 15,446,200 H Shares (including 2,014,700 H Shares issued upon exercise of the Over-allotment Option) at the final Offer Price of HK\$114.00 per H Share, and the H Shares first commenced trading on the Main Board of the Stock Exchange on June 29, 2026. The gross proceeds from the Global Offering (including the exercise of the Over-allotment Option) amounted to approximately HK\$1,760.9 million. After deducting underwriting commissions and other related expenses, the proceeds from the Global Offering amounted to approximately HK\$1,627.5 million (the “**proceeds from the Global Offering**” or “**proceeds**”).

As disclosed in the Prospectus, assuming an Offer Price of HK\$114.00 per H Share and that the Over-allotment Option is not exercised, the Company originally expected to apply including, but not limited to, (a) approximately 53.4% of the proceeds from the Global Offering, or HK\$756.3 million, to expanding the Group’s production capacity for optical transceivers, and other optoelectronic interconnection products, and enhancing automation across the Group’s product lines; (b) approximately 28.6% of the proceeds from the Global Offering, or HK\$405.0 million, to retaining existing and attracting new top-tier R&D talent and professionals to further strengthen the Group’s global research and development capabilities; and (c) approximately 10.0% of the proceeds from the Global Offering, or HK\$141.5 million, to working capital and general corporate purposes.

As disclosed in the Over-allotment Announcement, the Company intended to utilize the additional net proceeds of approximately HK\$219.3 million from the exercise of the Over-allotment Option on a pro rata basis for the purposes as disclosed in the Prospectus. Accordingly, the final allocation of proceeds from the Global Offering and corresponding utilization status as of September 30, 2026 are as follows:

Use of funds	Percentage of intended use of proceeds <i>(approximate %)</i>	Breakdown of uses	Total amount <i>(approximate HK\$ million)</i>	Amount utilized as of September 30, 2026 <i>(approximate HK\$ million)</i>	Amount unutilized as of September 30, 2026 <i>(approximate HK\$ million)</i>
Expanding the Group's production capacity for optical transceivers, and other optoelectronic interconnection products, and enhancing automation across the Group's product lines	53.4	–	870.7	15.1	855.6
Continuous investment in the research and development of new products and technologies	35.0	Subtotal	569.6	82.3	487.3
	28.6	Retaining existing and attracting new top-tier R&D talent and professionals to further strengthen the Group's global research and development capabilities	465.5	26.3	439.2
	6.4	Procuring and installing specialized research and development equipment for optical transceivers, silicon photonic chips and other optoelectronic interconnection products	104.1	56.0	48.1
Business promotion and market expansion	1.5	Subtotal	24.4	3.0	21.4
	1.0	Strengthening the Group's domestic sales team and network to enhance customer engagement and responsiveness to client needs	16.3	2.8	13.5
	0.5	Business promotion and brand-building activities	8.1	0.2	7.9

Use of funds	Percentage of intended use of proceeds (approximate %)	Breakdown of uses	Total amount (approximate HK\$ million)	Amount utilized as of September 30, 2026 (approximate HK\$ million)	Amount unutilized as of September 30, 2026 (approximate HK\$ million)
Working capital and general corporate purposes ⁽¹⁾	10.0	Subtotal	162.8	162.8	0
	0.7	Payment of general staff salaries and disbursements	10.9	10.9	0
	0.9	Payment of professional service fees and tax charges including value-added tax (“VAT”)	14.0	14.0	0
	0.6	Payment of administrative, miscellaneous and other expenses	10.0	10.0	0
	7.9	Payment of raw materials procurement costs	127.9	127.9	0
Total	100.0	Total	1,627.5	263.2	1,364.3

- (1) For the avoidance of doubt, no further allocation of this portion of proceeds was disclosed in the Prospectus. The breakdown is based on the actual utilization of this portion of proceeds by the Group.

* *Figures in the above table may not add up due to rounding.*

As illustrated above, as of September 30, 2026, the Company had cumulatively utilized approximately HK\$263.2 million of the proceeds from the Global Offering, and the remaining unutilised proceeds amounted to approximately HK\$1,364.3 million.

PROPOSED CHANGES IN USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Board proposes to adjust the intended use of proceeds from the Global Offering in the following manner:

- introducing “procurement of raw materials for the Group’s expanded production capacity” as a sub-item under the use of “expanding the Group’s production capacity for optical transceivers, and other optoelectronic interconnection products, and enhancing automation across the Group’s product lines”;
- broadening the use of “expanding the Group’s production capacity for optical transceivers, and other optoelectronic interconnection products, and enhancing automation across the Group’s product lines” to also cover expansion and upgrade of the Group existing production facility in Suzhou;
- reallocating HK\$231.5 million of the HK\$870.7 million originally allocated to “expanding the Group’s production capacity for optical transceivers, and other optoelectronic interconnection products, and enhancing automation across the Group’s product lines”, to the new sub-item of “procurement of raw materials for the Group’s expanded production capacity”; and

- (d) reallocating HK\$209.6 million and HK\$137.6 million of the HK\$465.5 million originally allocated to “retaining existing and attracting new top-tier R&D talent and professionals to further strengthen the Group’s global research and development capabilities”, to the new sub-item of “procurement of raw materials for the Group’s expanded production capacity” and general working capital of the Group respectively.

Consequently, adjustments have also been made to the expected timeline of utilization of proceeds from the Global Offering. The Company currently expects that the proceeds from the Global Offering will be fully utilized by the second half of 2027.

Details of the proposed changes in use of proceeds from the Global Offering are set out below:

Use of funds	Breakdown of uses	Original intended use of the proceeds as set out in the Prospectus		Amount unutilised as of September 30, 2026 (in HK\$ million)	Allocation of the remaining proceeds following the change in the use of proceeds from the Global Offering		Expected timeline for the utilization of the remaining proceeds
		Amount (in HK\$ million)	Percentage (%)		Amount (in HK\$ million)	Percentage (%)	
Expanding the Group’s production capacity for optical transceivers, and other optoelectronic interconnection products, and enhancing automation across the Group’s product lines	Subtotal	870.7	53.4	855.6	1,065.2	78.1	
	Expanding the Group’s production capacity for optical transceivers, and other optoelectronic interconnection products, and enhancing automation across the Group’s product lines	870.7	53.4	855.6	624.1	45.7	By the second half of 2027
	Procurement of raw materials for the Group’s expanded production capacity	–	–	–	441.1	32.3	By the second half of 2027

Use of funds	Breakdown of uses	Original intended use of the proceeds as set out in the Prospectus		Amount unutilised as of September 30, 2026 (in HK\$ million)	Allocation of the remaining proceeds following the change in the use of proceeds from the Global Offering		Expected timeline for the utilization of the remaining proceeds
		Amount (in HK\$ million)	Percentage (%)		Amount (in HK\$ million)	Percentage (%)	
Continuous investment in the research and development of new products and technologies	Subtotal	569.6	35.0	487.3	140.0	10.3	
	Retaining existing and attracting new top-tier R&D talent and professionals to further strengthen the Group's global research and development capabilities	465.5	28.6	439.2	91.9	6.7	By the second half of 2027
	Procuring and installing specialized research and development equipment for optical transceivers, silicon photonic chips and other optoelectronic interconnection products	104.1	6.4	48.1	48.1	3.5	By the second half of 2027

Use of funds	Breakdown of uses	Original intended use of the proceeds as set out in the Prospectus		Allocation of the remaining proceeds following the change in the use of proceeds from the Global Offering			Expected timeline for the utilization of the remaining proceeds
		Amount (in HK\$ million)	Percentage (%)	Amount unutilised as of September 30, 2026 (in HK\$ million)	Amount (in HK\$ million)	Percentage (%)	
Business promotion and market expansion	Subtotal	24.4	1.5	21.4	21.4	1.6	
	Strengthening the Group's domestic sales team and network to enhance customer engagement and responsiveness to client needs	16.3	1.0	13.5	13.5	1.0	By the second half of 2027
	Business promotion and brand-building activities	8.1	0.5	7.9	7.9	0.6	By the second half of 2027
Working capital and general corporate purposes	Subtotal	162.8 ⁽¹⁾	10.0	0	137.7	10.1	By the first half of 2027
	Payment of general staff salaries and disbursements	10.9	0.7	0	48.2	3.5	
	Payment of professional service fees and tax charges including VAT	14.0	0.9	0	62.0	4.5	
	Payment of administrative, miscellaneous and other expenses	10.0	0.6	0	27.5	2.0	
	Payment of raw materials procurement costs	127.9	7.9	0	–	–	
Total		<u>1,627.5</u>	<u>100.0</u>	<u>1,364.3</u>	<u>1,364.3</u>	<u>100.0</u>	

(1) For the avoidance of doubt, no further allocation of this portion of proceeds was disclosed in the Prospectus. The breakdown is based on the actual utilization of this portion of proceeds by the Group.

* Figures in the above table may not add up due to rounding.

REASONS FOR AND BENEFITS OF THE PROPOSED CHANGES IN USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Group is a provider of optoelectronic interconnection products, offering optical transceivers, active optical cables (AOC, which integrate optical transceivers and fiber cables into a single assembly for high-speed interconnection), and other products. The Group's optoelectronic interconnection products are widely deployed in AI data centers to support high-speed, high-density and energy-efficient data transmission.

Since the commencement of the third quarter of 2026, more particularly following the Company's in-depth discussions with suppliers, customers and industry peers at the China International Optoelectronic Exposition (CIOE) held from 9 to 11 September 2026, the Board has observed a number of rapid and unprecedented changes in the industry. Such changes are causing a paradigm shift in the industry landscape, which has prompted the Company to adapt quickly to maintain its competitiveness and to capture opportunities, with measures that involve the reallocation of resources including the proceeds from the Global Offering:

Rapid evolution of the optical module industry landscape and accelerating downstream demand for computing power

The rapid iteration and widespread adoption of AI technology have driven equally rapid growth in global demand for AI training and inference computing power, accelerating the deployment of high-performance, large-scale computing clusters. With the evolution of cutting-edge technologies such as multimodal large models, AI agents, and physical AI, the scale of global AI computing usage has steadily increased, ushering the industry into a new growth cycle for computing infrastructure capacity. Leading downstream cloud service providers and internet companies are set to increase their capital expenditures on AI infrastructure at a pace significantly faster than previously expected by the market and the expansion of capital expenditure across the industry, both domestically and internationally, is generating increased fundamental demand for optoelectronic interconnection products.

As a critical component of AI computing network infrastructure, demand for optoelectronic interconnection products exhibits sustained and rapid growth in tandem with the continuous upward revisions of capital expenditure by downstream customers in the industry, with the data communication sector serving as the primary driver of such demand. Meanwhile, the pace of technological iteration is accelerating, and optical module products are evolving towards higher speeds and performance. These trends, coupled with the significant growth in demand, have subjected enterprises in the optoelectronic interconnection industry (including the Group) to heightened demands from customers in terms of forward-looking R&D, large-scale mass production and delivery, as well as supply chain capabilities. In particular, customers are placing increasing importance on timeliness of capacity expansion and supply stability, as compared to the early stage of the industry boom.

Against this backdrop, the Company has recently noted rapid growth in demand within the Group's specific market segment, with core customer order volume growing and requirements for delivery timeliness becoming increasingly stringent. Certain customers have clearly indicated that their procurement scale will expand significantly, and required suppliers to correspondingly expand their production capacity and inventory stocking capability. Consequently, capabilities in securing upstream materials, large-scale mass production, and stable delivery have become key competitive factors in the sector. The management of the Group considers that failure to match customers' capacity expansion and to satisfy their demand for stable delivery in a timely manner may result in a loss of market share and undermine the Group's competitiveness, particularly in light of the rapidly evolving industry landscape, which is not uncommonly for advanced technology sectors.

The Board's observations above are echoed by results of surveys conducted in the CIOE, from which China International Capital Corporation (CICC) noted that "locking in orders" and "securing materials" have become key themes across the supply chain in the sector. Order schedules for certain high-speed optical chip manufacturers has now extended to 2028, which further solidifies the certainty of demand for optical modules in 2027, with industry sentiment and fundamental outlooks remaining positive. CICC further concluded that future delivery performance will hinge largely on the security of key materials, production yields, and customer accreditations; notably, advanced-node DSPs may emerge as the most critical bottleneck, influencing the product offerings and market share of module manufacturers.¹

Significant restructuring of the supply chain landscape and consequential marked increase in the Group's working capital requirements

The upstream sector of the high-speed optical module industry is characterized by a high concentration of core materials. Key raw materials, such as optoelectronic chips, electronic chips, passive optical components, and high-end mSAP PCBs, constitute the core costs of the products. Notably, the supply of high-end, high-speed chips relies heavily on leading overseas manufacturers, resulting in a market structure defined by concentrated supply sources and long delivery lead times. Since the completion of the Global Offering, the tightness of the upstream supply chain has intensified with the delivery lead times for key materials continuing to elongate, exceeding the original expectations at the time of Listing.

To address the rapid surge in downstream demand, industry players commonly secure core materials and production capacity through long-term framework agreements, more favorable payment terms including full payment upon delivery, and capacity reservation arrangements with key upstream suppliers, thereby ensuring supply chain stability and the ability to meet delivery commitments. In light of the paradigm shift in industry landscape as discussed above, such arrangements have now become necessary measures for industry participants to maintain their competitiveness, which in turn place a more heavy demand on capital.

To support rapid business expansion and strengthen supply chain security, the Group continues to deepen long-term strategic partnerships with key upstream suppliers. Yet, the intensifying competition among players in the optoelectronic interconnection sector for upstream core materials has placed higher requirements on the Group's capability to secure core material to satisfy customer orders. If the Group fails to implement similar arrangements and deploy sufficient capital in a timely manner to secure upstream production capacity and materials, it may face the risk of delayed order delivery and loss of market share.

Meanwhile, alongside the rapid development of the Group's business, expenditures related to production stockpiling, raw material procurement, inventory reserves, logistics operations, and human resources management have also continued to rise rapidly, leading to a significant increase in the amount of capital tied up in operations. The recent growth in customer orders and inventory stocking demand are significantly and higher faster than what were originally expected at the time of the Global Offering.

In summary, the rapid evolution of industry supply chain models and the Group's own business expansion have together driven a substantial increase lately in the capital required to secure upstream materials for capacity expansion, as well as in working capital requirements. Swift action is called for the Board to reallocate capital and resources to support the imminent expansion of its production capacity to catch up with the intensifying pace of iteration and rapid growth of the industry.

¹ For further details, please refer to https://stock.finance.sina.com.cn/stock/go.php/vReport_Show/kind/industry/rptid/842773920108/index.phtml

IMPLEMENTATION STATUS OF ORIGINALLY PLANNED USES AND RATIONALE FOR ADJUSTMENTS

Adjustments to proceeds allocated for “expanding the Group’s production capacity for optical transceivers, and other optoelectronic interconnection products, and enhancing automation across the Group’s product lines”

As of the date of this announcement, the production capacity expansion and automation enhancement plans outlined in the Prospectus, including the expansion and upgrading of existing production facilities in Nanjing, the construction of the Nantong production base, and the establishment of automated production lines for silicon photonics chips and packaging technology in Beijing, are progressing in an orderly manner and in line with the Group’s schedule. In light of the increasing downstream customer demand as discussed above, the Board proposes that the relevant proceeds be also allocated to support the expansion and upgrading of the Group’s existing production facilities in Suzhou, with a view to expedite the production capacity expansion and automation enhancement of the Group.

While a total of approximately HK\$231.5 million will be reallocated to the new sub-item “procurement of raw materials for the Group’s expanded production capacity” under the same usage category, such reallocation will not hinder the progress of the production capacity expansion and automation enhancement initiatives, as the corresponding capital expenditures will be further supported by the Group’s internal funds, future operating cash inflows (particularly in light of the rapid growth of the market and the business expansion of the Group starting in near future), and other sources such as fixed asset financing, on top of the remaining proceeds of approximately HK\$624.1 million allocated thereto.

Re-allocation of proceeds to the new sub-item “procurement of raw materials for the Group’s expanded production capacity”

As discussed in “Reasons for and benefits of the proposed changes in use of proceeds from the Global Offering” above, the Company has noted a paradigm shift in the industry landscape. While there is a notable growth in downstream customer demand, representing business opportunities and potential growth drivers, the competition among market players for raw materials and key upstream suppliers has also intensified. Given that the market environment is fast-evolving, swift adaptive measures is called for the Group.

As such, it has become one of the top and immediate priorities of the Group to secure stable supply of raw materials, whether from the perspective of expanding production capacity to support business expansion, or from the standpoint of defensive positioning not to be out-competed by other market players for raw materials supply. To such end, a total of approximately HK\$441.1 million will be reallocated to the new sub-item “procurement of raw materials for the Group’s expanded production capacity” to fund the Group’s increasing procurement needs in the near future, with a view to enable the Group to secure stable supply for its operations as well as production capacity expansion, while competition for upstream raw materials continues to intensify.

In light of the above, the original overall objective of the capacity expansion remains unchanged, and the above adjustments will not have any material adverse impact on the overall implementation of the capacity expansion plan.

Downward adjustments to proceeds allocated to “retaining existing and attracting new top-tier R&D talent and professionals to further strengthen the Group’s global research and development capabilities”

Regarding technology R&D, the Group continues to advance the development of next-generation optical interconnect products and technologies and its R&D strategy and investment priorities remain unchanged. Given the projected improvement in operating cash flow resulting from business expansion, the Group can leverage internal resources and bank liquidity loans to prioritize R&D expenditures, such as the recruitment and retention of R&D talent and the procurement of R&D equipment, ensuring that the intensity of R&D investment will not be reduced as a result of this adjustment to the use of proceeds, and that the progress of R&D projects will not be affected. Consequently, the Board considers that it is feasible to now reallocate a portion of the funds originally allocated to R&D (i.e. approximately HK\$347.3 million) towards the facilitation of capacity expansion, as well as meeting the Group’s growing working capital needs, in order to optimize overall capital allocation efficiency.

Reallocation of proceeds for “working capital and general corporate purposes”

The proportion of the proceeds (i.e. approximately HK\$162.8 million) originally allocated to working capital and general corporate purposes in the Prospectus was based on the best estimates made under the market environment and circumstances prevailing at the time of the publication of the Prospectus. The recent rapid changes in the industry landscape and growth of the Group’s business have resulted in complete utilization of the funds allocated for general working capital purposes, approximately 78.6% of which was spent on procurement of raw materials as part of the Group’s measure to urgently secure raw materials for expansion of the Group’s production and order fulfilment capacity. As such measure squeezed capital from the Group’s originally budgeted general working capital uses, the Group will now have to reallocate a portion of the funds originally allocated to R&D to make up for the general working capital uses for the present and foreseeable future, as well as projected additional general working capital budget incidental to the expansion of the Group’s production and order fulfilment capacity. Given that a portion of proceeds will be reallocated specifically for the procurement of raw materials, the proceeds reallocated as general working capital will no longer be used for raw materials procurement, but will instead focus on the payment of (i) general staff salaries and disbursements, (ii) professional service fees and tax charges including VAT, and (iii) administrative, miscellaneous and other expenses.

In light of the above, the proposed changes to the use of proceeds of the Global Offering, are solely a reallocation of funds within the categories of uses disclosed in the “Future Plans and Use of Proceeds” section of the Prospectus, and do not constitute any new use of funds not previously disclosed in the Prospectus.

IMPACT OF THE PROPOSED CHANGES IN USE OF PROCEEDS FROM THE GLOBAL OFFERING ON THE GROUP

The Group’s business and operations

There is no change to the nature of the Group’s business, nor any new business, new investments, or acquisitions involved. Originally planned projects, such as capacity expansion, research and development, and business promotion, will continue to proceed in accordance with the direction and plans set out in the Prospectus. On the other hand, strengthening working capital reserves is expected to enhance the stability of the Group’s supply chain and its order fulfillment capabilities, consolidate the Group’s competitive strength amid a rapidly evolving industry environment, thereby benefiting the Group’s business operations and long-term profitability.

The Group's financial position

The proposed changes are not expected to have any direct impact on the assets, liabilities, or capital structure of the Group. Reallocating a portion of the proceeds to working capital helps improve the Group's liquidity position and working capital metrics, reduces reliance on short-term external financing, and saves finance costs, thereby optimizing the Group's capital and resources allocation.

The Group's strategy and long-term development

The Group's long-term development strategy remains unchanged, and shall continue to focus on its core business of AI optoelectronic interconnect products, maintaining investment in strategic areas such as enhancing R&D capabilities, expanding its global production capacity, and deepening supply chain collaboration. The proposed change aims to align the allocation of funds and resources of the Group with the current stage of industry development and the Group's actual operational needs. It is not expected adversely affect the ongoing development of the Group's core competitiveness, but shall rather help the Group solidify its supply and delivery capabilities during a period of rapid growth in industry demand, thereby supporting long-term sustainable development.

Based on the above, the Board considers that there has been no material change to the substance of the Company's business as set out in the Prospectus. The proposed change in the use of proceeds from the Global Offering is fair and reasonable, beneficial to the Group in allocating financial resources more efficiently and consolidating its competitive market position, thereby enhancing the overall profitability of the Group, thus in the interests of the Company and the Shareholders as a whole, and will not have any material adverse effect on the Company's existing business and operations.

The Board will continue to evaluate the use plan for the proceeds from the Global Offering and will revise or modify the plan when necessary to respond to the changing market environment and strive to improve the business performance of the Group.

By order of the Board
Crealights Technology Co., Ltd.
Hu Zhaoyang
*Founder, chairman of Board,
executive Director, and
chief executive officer*

Hong Kong, October 13, 2026

As at the date of this announcement, the Board comprises (i) Dr. Hu Zhaoyang, Mr. Hu Yong, Ms. Zhou Hong, Dr. Sun Xu and Mr. Guo Qingsong as executive Directors; (ii) Mr. Ng Ho Nam as a non-executive Director; and (iii) Dr. Xu Haoping, Dr. Wang Fei and Mr. Zhang Wei as independent non-executive Directors.