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TRANSTECH OPTELECOM SCIENCE HOLDINGS LIMITED

高科橋光導科技股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9963)

**MAJOR AND CONNECTED TRANSACTION
IN RELATION TO THE ACQUISITION OF 49% OF THE ISSUED SHARE
CAPITAL OF HAO TAI INVESTMENT
INVOLVING THE ISSUE OF CONSIDERATION SHARES
UNDER SPECIFIC MANDATE**

Joint Financial Advisers to the Company

ABCI  **農銀國際**

 **南強資本有限公司**
AUSTRAX CAPITAL LIMITED

**Independent Financial Adviser
to the Independent Board Committee and the Independent Shareholders**

 **紅日資本有限公司**
RED SUN CAPITAL LIMITED

SUMMARY

The Board is pleased to announce that, on 15 October 2026 (after trading hours), Transtech HK, a wholly-owned subsidiary of the Company (as the Buyer), entered into the Acquisition Agreement with Optel Technology (as the Seller), pursuant to which Optel Technology conditionally agreed to sell and Transtech HK conditionally agreed to purchase the Sale Shares, representing 49% of the total issued share capital of Hao Tai Investment (as the Target Company), at the Consideration of RMB249.90 million. The Consideration shall be satisfied in full by the allotment and issue of the Consideration Shares by the Company to the Seller under the Specific Mandate upon Completion.

A total of 32,487,000 Consideration Shares will be allotted and issued to the Seller at the Issue Price of HK\$9.00 per Consideration Share, representing approximately 8.39% of the existing total issued share capital of the Company as at the date of this announcement and approximately 7.74% of the total issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares (assuming no other change in the share capital of the Company).

As at the date of this announcement, the Target Company, through its wholly-owned subsidiary, owns 51% of the equity interest in Yinhu Tianjin, which is principally engaged in the production and sale of optical fiber preforms in the PRC. Upon Completion, the Group will hold approximately 24.99% of the effective equity interest in Yinhu Tianjin.

Yinhu Tianjin operates from its registered address at No. 398 Gaoxin 5th Road, Binhai Science and Technology Park, Binhai High-tech Zone, Tianjin, the PRC (中國天津市濱海高新區濱海科技園高新五路398號). The site occupies a total land area of 26,401.2 square metres, with a total gross floor area of 14,947.04 square metres. As at the date of this announcement, Yinhu Tianjin operates four optical fiber preform production lines and four optical fiber preform core cane production lines at this location. Its major customers include (i) an integrated wire, cable, and materials group listed on the Tokyo Stock Exchange; and (ii) Futong China Group.

The Seller guarantees to the Buyer that the audited net profit before income tax (“**Actual Profits**”) of Yinhu Tianjin for the year ending 31 December 2026 shall be no less than RMB150,000,000 (“**Guaranteed Profits**”). In the event that the Actual Profits are less than the Guaranteed Profits, the Seller shall pay cash compensation to the Buyer, subject to a maximum of RMB30 million, the calculation of which is detailed in the paragraph headed “Profit Guarantee and Cash Compensation Obligation” below.

Upon Completion, the Target Company will become an associate of the Company (within the meaning of the applicable accounting standards) and the Group’s effective equity interest therein will be accounted for using the equity method. Accordingly, the financial results of the Target Group (including Yinhu Tianjin) will not be consolidated into the consolidated financial statements of the Group.

LISTING RULES IMPLICATIONS

Reference is made to (i) the announcements of the Company dated 13 April 2026 and 21 July 2026; and (ii) the circular of the Company dated 26 June 2026 in relation to the Previous Acquisition Agreement, pursuant to which the Buyer agreed to acquire the entire issued share capital of Hao Min Investment (an investment holding company owning 51% of the equity interest in Hangzhou Company) from the Seller. The Previous Acquisition was completed on 21 July 2026.

Pursuant to Rule 14A.81 of the Listing Rules, a series of connected transactions will be aggregated and treated as if they were one transaction if they were all entered into or completed within a 12-month period or are otherwise related. Therefore, the Acquisition and the Previous Acquisition are required to be aggregated as they were entered into with the Seller (being the same connected person) within a 12-month period.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition (whether on a standalone basis or when aggregated with the Previous Acquisition pursuant to Rules 14.22 and 14.23 of the Listing Rules) exceed 25% but all are less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and shareholders' approval requirements thereunder.

As at the date of this announcement, the Seller is interested in approximately 12.49% of the total issued share capital of the Company and is therefore a substantial Shareholder and a connected person of the Company at the issuer level under Rule 14A.07(1) of the Listing Rules. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the Acquisition constitutes a connected transaction of the Company, it is subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE ACQUISITION AGREEMENT

The Board is pleased to announce that, on 15 October 2026 (after trading hours), Transtech HK, a wholly-owned subsidiary of the Company (as the Buyer), entered into the Acquisition Agreement with Optel Technology (as the Seller), pursuant to which Optel Technology conditionally agreed to sell and Transtech HK conditionally agreed to purchase the Sale Shares, representing 49% of the total issued share capital of Hao Tai Investment (as the Target Company), at the Consideration of RMB249.90 million. The Consideration shall be satisfied in full by the allotment and issue of the Consideration Shares by the Company to the Seller under the Specific Mandate upon Completion.

The principal terms of the Acquisition Agreement are set out as follows:

Parties

Transtech HK (as the Buyer); and
Optel Technology (as the Seller).

As at the date of this announcement, Optel Technology holds 48,367,000 Shares, representing approximately 12.49% of the total issued share capital of the Company, and is therefore a substantial Shareholder and a connected person of the Company.

Assets to be acquired under the Acquisition Agreement

The Buyer conditionally agreed to purchase and the Seller conditionally agreed to sell the Sale Shares, representing 49% of the total issued share capital of the Target Company, subject to the terms and conditions as set out in the Acquisition Agreement.

As at the date of this announcement, the Target Company, through its wholly-owned subsidiary, owns 51% of the equity interest in Yinhu Tianjin, which is principally engaged in the production and sale of optical fiber preforms in the PRC. Upon Completion, the Group will hold approximately 24.99% of the effective equity interest in Yinhu Tianjin.

Further details of the Target Group are set out in the paragraph headed “Information on the Target Group” below.

Consideration and basis

The parties to the Acquisition Agreement agreed that the Consideration for the Sale Shares shall be RMB249.90 million. The Consideration shall be satisfied in full by the allotment and issue of the Consideration Shares by the Company to the Seller under the Specific Mandate upon Completion.

The Consideration of RMB249.90 million was determined through arm’s length commercial negotiations between the Buyer and the Seller, having regard to the following key factors:

(i) Profit Guarantee and implied valuation multiple

The Directors consider the Profit Guarantee to be a key determinant of the Consideration. By committing to a guaranteed minimum profit before income tax of Yinhu Tianjin of RMB150 million for the financial year ending 31 December 2026, the Seller has given the Buyer a contractually enforceable assurance of the Target Group’s near-term earnings capacity.

The Consideration of RMB249.90 million is assessed against the portion of the guaranteed profit before income tax of Yinhu Tianjin of RMB150 million attributable to the Group’s effective interest of approximately 24.99% in Yinhu Tianjin upon Completion (i.e. approximately RMB37.49 million). On that basis, it implies a price-to-guaranteed-profit-before-tax multiple of approximately 6.67 times (“**Implied Valuation**”).

(ii) Market valuation of comparable listed companies

In assessing the Implied Valuation, the Directors have also referred to the prevailing market valuation of companies whose shares are listed on the Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange and which are principally engaged in businesses similar to that of Yinhu Tianjin (the “**Comparable Companies**”). The Directors noted that the Implied Valuation represents a discount to the average valuation of the Comparable Companies as at the date of this announcement.

The Directors are mindful that the Group will acquire a non-controlling, indirect interest in an unlisted company, which may warrant a discount to the market valuation of Comparable Companies. Even so, they consider the discount implied by the Consideration to be substantial. Taken together with the Profit Guarantee, the Directors consider the Implied Valuation of Yinhu Tianjin to be fair and reasonable in the context of the prevailing industry dynamics and the strategic value of the Acquisition to the Group.

(iii) Historical financial performance and recent turnaround of the Target Group

The Target Group recorded net losses of approximately RMB14.43 million and RMB4.37 million for the two years ended 31 December 2024 respectively, which formed part of the broader context in which the Consideration was negotiated. The Board, however, considers that these historical losses do not reflect the Target Group’s current earnings capacity, as the Target Group achieved a financial turnaround in the year ended 31 December 2025, recording a net profit of approximately RMB4.65 million (profit before income tax: approximately

RMB4.72 million), and its performance improved significantly in the first half of 2026 on the back of the substantial increase in the market price and sales volume of optical fiber preforms, with revenue increasing by approximately 221.7% from approximately RMB43.10 million for the six months ended 30 June 2025 to approximately RMB138.66 million for the six months ended 30 June 2026, and gross profit and net profit increasing to approximately RMB94.26 million and RMB73.11 million respectively (six months ended 30 June 2025: approximately RMB5.16 million and RMB0.42 million respectively).

(iv) *Business synergies arising from the Acquisition*

The Acquisition is expected to bring significant strategic and operational synergies and to strengthen the Group's competitive position. The Group is principally engaged in the manufacture and sale of optical fiber preforms, optical fiber and optical fiber cable in the PRC, Hong Kong and Thailand. Optical fiber preforms are the essential precursor from which optical fiber is drawn, and they account for the largest component of the Group's cost of producing optical fiber. A stable and reliable supply of preforms, in sufficient volume and of consistent quality, is therefore vital to the Group's operations. Any interruption or shortfall would leave the Group's fiber drawing capacity under-utilised, impair its ability to fulfil customer orders on time, and expose its margins to spot-market price volatility. This is particularly so under current market conditions. The significant increase in the market price of, and demand for, optical fiber preforms has tightened supply, and new preform capacity cannot be brought on stream quickly given the technical complexity, capital intensity and lead time involved in establishing preform production lines.

The Group has had in-house preform production capacity since it acquired Hao Min Investment through the Previous Acquisition in July 2026. However, the production capacity of Hangzhou Company is not sufficient to support the optical fiber production lines of the Group's subsidiaries in the PRC, Hong Kong and Thailand. The Group therefore continues to procure preforms from Yinhu Tianjin and other suppliers in its ordinary and usual course of business.

Yinhu Tianjin is an established supplier of preforms to the Group. Under the Framework Procurement Agreement dated 16 January 2026 (as supplemented on 26 June 2026), details of which are set out in the announcements of the Company dated 16 January 2026 and 26 June 2026, the Group agreed to procure optical fiber preforms and related products from Yinhu Tianjin for the year ending 31 December 2026. As set out in the separate announcement of the Company dated the same date as this announcement, the Framework Procurement Agreement will be superseded by a new framework purchase agreement between the Company and Futong China. The new agreement governs the procurement of optical fiber preforms, optical fiber and related raw materials from the Futong China Group (including Yinhu Tianjin) during the three years ending 31 December 2028 as a whole, and so provides a continuing contractual framework for the Group's preform supply beyond 31 December 2026.

Yinhu Tianjin produced approximately 212 tonnes of optical fiber preforms in 2025 and is a well-established, operating source of the Group's most critical raw material. The Directors consider that the Acquisition will complement the contractual supply arrangements described above. The framework purchase arrangements secure the Group's access to preform supply on a contractual basis. The Group's effective equity interest of approximately 24.99% in

Yinhu Tianjin will align the interests of the Group and the Target Group, and give the Group better visibility over Yinhu Tianjin's production planning and capacity. Together, these will strengthen the stability of supply under the framework arrangements. The equity participation and the framework purchase arrangements will alleviate the Group's supply chain constraints faced by the Group. The Acquisition will also allow the Group to share, through equity accounting, in the upstream profit generated by Yinhu Tianjin, including the profit on preforms supplied to the Group itself.

Consideration Shares and the Issue Price

A total of 32,487,000 Consideration Shares (with an aggregate nominal value of HK\$324,870) will be allotted and issued to the Seller at the Issue Price of HK\$9.00 per Consideration Share, representing approximately 8.39% of the existing total issued share capital of the Company as at the date of this announcement and approximately 7.74% of the total issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares (assuming no other change in the share capital of the Company). The number of Consideration Shares was determined by dividing the Consideration (converted into Hong Kong dollars at the exchange rate of RMB1.00 to HK\$1.17) by the Issue Price. The Issue Price represents:

- a premium of approximately 6.64% to the closing price of HK\$8.440 per Share as quoted on the Stock Exchange on the date of the Acquisition Agreement;
- a premium of approximately 5.05% to the average closing price of approximately HK\$8.567 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares immediately prior to the date of the Acquisition Agreement;
- a premium of approximately 2.31% to the average closing price of approximately HK\$8.797 per Share as quoted on the Stock Exchange for the last ten consecutive trading days of the Shares immediately prior to the date of the Acquisition Agreement; and
- a premium of approximately 969.57% to the unaudited consolidated net asset value attributable to owners of the Company per Share of approximately HK\$0.841 as at 30 June 2026.

The Issue Price was arrived at after arm's length negotiations between the Buyer and the Seller, having regard to: (i) the prevailing market prices of the Shares over the ten consecutive trading days immediately prior to the date of the Acquisition Agreement, during which the Shares traded within a range of HK\$8.395 to HK\$9.370; (ii) the strategic benefit of satisfying the Consideration entirely through the issue of the Consideration Shares, thereby preserving the Group's cash liquidity for operational and business development requirements; and (iii) the Lock-up arrangement, which is designed to mitigate downward pressure on the Share price and protect the interests of existing Shareholders. In view of the above, the Directors (excluding the independent non-executive Directors, who will express their views after taking into account the advice of the Independent Financial Adviser) are of the opinion that the Issue Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Profit Guarantee and Cash Compensation Obligation

- (a) The Seller guarantees to the Buyer that the audited net profit before income tax (“**Actual Profits**”) of Yinhu Tianjin for the year ending 31 December 2026 shall be no less than the guaranteed profits of RMB150,000,000 (“**Guaranteed Profits**”).
- (b) If the Actual Profits are less than the Guaranteed Profits, the Seller shall pay to the Buyer cash compensation (the “**Compensation**”) calculated as follows:

$$\text{Compensation} = \text{RMB249.90 million} \times (\text{Guaranteed Profits} - \text{Actual Profits}) / \text{Guaranteed Profits}$$

The maximum Compensation payable shall be RMB30 million.

- (c) The Compensation, if any, shall be due and payable in immediately available funds within 15 Business Days after the final determination of the Actual Profits.

To secure the Seller’s potential obligation to pay the Compensation, the Seller shall grant to the Company a first-priority pledge over all the Consideration Shares (the “**Pledged Shares**”), and the parties shall execute a separate share pledge agreement at Completion. The pledge shall be released upon the earlier of: (i) fulfilment of the Profit Guarantee; and (ii) the full payment of any Compensation due.

The Company will comply with the requirements under Rules 14.36B and 14A.63 of the Listing Rules. In particular, the Company will publish an announcement if (1) there is any subsequent change to the terms of the Profit Guarantee, together with the Board’s opinion on whether such change is fair and reasonable and in the interests of the Company and the Shareholders as a whole; or (2) the actual performance of Yinhu Tianjin fails to meet the Guaranteed Profits, disclosing the shortfall, the Compensation payable, and the opinion of the independent non-executive Directors on whether the Seller has fulfilled its obligations under the Profit Guarantee. In addition, the Company will disclose in its next annual report whether the Guaranteed Profits have been achieved.

Conditions Precedent

Completion shall be conditional upon and subject to:

- (a) the transactions under the Acquisition Agreement, including but not limited to the allotment and issue of the Consideration Shares, being approved by the Independent Shareholders at the EGM to be held in accordance with the requirements of the Listing Rules;
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consideration Shares (and such listing and permission not subsequently revoked or withdrawn prior to Completion);
- (c) each of the representations, warranties and/or undertakings contained in or referred to or as set out in the Acquisition Agreement remaining true, accurate and not misleading in all respects;

- (d) the due diligence on the Target Group having been completed to the satisfaction of the Buyer; and
- (e) all necessary consents from any relevant governmental or regulatory authorities or other relevant third parties in connection with the entering into and performance of the terms of the Acquisition Agreement and the transactions contemplated thereunder having been obtained.

If any of the Conditions Precedent is not fulfilled on or before 5:00 p.m. on 31 January 2027 or such later date as the Buyer and the Seller may agree in writing, the Acquisition Agreement shall lapse and become null and void, and the parties shall be released from all obligations thereunder, save for any antecedent breaches of the terms thereof.

Completion shall take place on the fifth Business Day following the date the Buyer notifies the Seller of the satisfaction of all the Conditions Precedent. None of the Conditions Precedent is capable of being waived.

As at the date of this announcement, none of the Conditions Precedent has been satisfied.

Lock-up arrangement

To safeguard the interests of the Group and ensure the Seller retains sufficient financial resources to satisfy any potential Compensation obligations, the Seller irrevocably undertakes that the Consideration Shares shall be subject to a restrictive lock-up (the “**Lock-up**”).

Specifically, the Seller shall not sell, transfer, encumber (save for the pledge of the Consideration Shares described above), or otherwise dispose of any Consideration Shares from the date of issue until the later of: (i) the final determination of Actual Profits; and (ii) the full settlement of any required Compensation. Such Compensation represents a pro-rata cash adjustment payable to the Buyer should Actual Profits fall short of the Guaranteed Profits, serving as a post-Completion valuation adjustment to ensure the final purchase price reflects, subject to the maximum Compensation, the actual financial performance of Yinhu Tianjin.

The Specific Mandate

The Consideration Shares will be allotted and issued pursuant to the Specific Mandate to be sought at the EGM. Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares. The Consideration Shares, when issued, will rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Consideration Shares.

Effect on the Shareholding Structure

The following table summarises the shareholding structure of the Company as at the date of this announcement and immediately upon Completion and the allotment and issue of the Consideration Shares (assuming that there is no other change in the share capital of the Company):

	As at the date of this announcement		Immediately upon Completion	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>
Hong Kong Futong Optical Fiber Company Limited (<i>Note</i>)	195,000,000	50.34	195,000,000	46.45
Optel Technology	48,367,000	12.49	80,854,000	19.26
Public Shareholders	143,976,000	37.17	143,976,000	34.29
Total	<u>387,343,000</u>	<u>100</u>	<u>419,830,000</u>	<u>100</u>

Note: Hong Kong Futong Optical Fiber Company Limited is wholly owned by Futong China. Accordingly, Futong China is deemed to be interested in the Shares held by Hong Kong Futong Optical Fiber Company Limited under the SFO.

Information on the Target Group

(i) *The Target Company*

The Target Company is a company incorporated in Hong Kong with limited liability and is wholly owned by the Seller. The principal business of the Target Company is investment holding. As at the date of this announcement, the Target Company, through its wholly-owned subsidiary, owns 51% of the equity interest in Yinhu Tianjin. Immediately upon Completion, the Target Company will be owned as to 51% by the Seller and 49% by the Buyer.

Save for its effective equity interest in Yinhu Tianjin (which is held through its wholly-owned intermediate subsidiary) and such intermediate subsidiary, the Target Company has no other subsidiaries or investments as at the date of this announcement.

Set out below is the key financial information of the Target Group for each of the three years ended 31 December 2025 and the six months ended 30 June 2026:

	For the year ended			For the six months ended	
	31 December			30 June	
	2023	2024	2025	2025	2026
	(audited)	(audited)	(audited)	(unaudited)	(audited)
	RMB('000)	RMB('000)	RMB('000)	RMB('000)	RMB('000)
Revenue	120,508	83,888	90,861	43,099	138,655
(Loss)/profit before income tax	(12,223)	(2,430)	4,716	475	86,233
(Loss)/profit and total comprehensive					
(loss)/income for the year/period	(14,427)	(4,373)	4,650	419	73,113

	As at		As at	
	31 December		30 June	
	2023	2024	2025	2026
	(audited)	(audited)	(audited)	(audited)
	RMB('000)	RMB('000)	RMB('000)	RMB('000)
Total assets	186,040	178,474	207,666	294,894
Net assets	170,884	166,511	171,161	268,142

(ii) Yinhu Tianjin

Yinhu Tianjin operates from its registered address at No. 398 Gaoxin 5th Road, Binhai Science and Technology Park, Binhai High-tech Zone, Tianjin, the PRC (中國天津市濱海高新區濱海科技園高新五路398號). The site occupies a total land area of 26,401.2 square metres, with a total gross floor area of 14,947.04 square metres. As at the date of this announcement, Yinhu Tianjin operates four optical fiber preform production lines and four optical fiber preform core cane production lines at this location. Its major customers include (i) an integrated wire, cable, and materials group listed on the Tokyo Stock Exchange; and (ii) Futong China Group.

As at the date of this announcement, Yinhu Tianjin is owned as to 51% by the Target Company, through its wholly-owned subsidiary, and as to 49% by Futong China, and the Target Company is wholly owned by the Seller. The shareholding structure of Yinhu Tianjin will remain unchanged upon Completion, with the Target Company continuing to hold 51% and Futong China continuing to hold 49% of its equity interest. Immediately upon Completion, the Target Company will be owned as to 51% by the Seller and as to 49% by the Buyer, and the Group will hold approximately 24.99% of the effective equity interest in Yinhu Tianjin.

Upon Completion, the Target Company will become an associate of the Company (within the meaning of the applicable accounting standards) and the Group's effective equity interest therein will be accounted for using the equity method. Accordingly, the financial results of the Target Group (including Yinhu Tianjin) will not be consolidated into the consolidated financial statements of the Group.

Reasons for and benefits of the Acquisition

The Acquisition is expected to bring significant strategic and operational synergies and to strengthen the Group's competitive position. The Group is principally engaged in the manufacture and sale of optical fiber preforms, optical fiber and optical fiber cable in the PRC, Hong Kong and Thailand. Optical fiber preforms are the essential precursor from which optical fiber is drawn and the largest component of the Group's fiber production cost, so a stable and reliable supply of preforms, in sufficient volume and of consistent quality, is vital to the Group's operations. Any shortfall would leave the Group's fiber drawing capacity under-utilised, impair its ability to fulfil customer orders and expose its margins to spot-market price volatility. This risk is heightened under current market conditions, in which rising prices and demand have tightened preform supply, and new capacity cannot be brought on stream quickly given the technical complexity, capital intensity and lead time involved. Although the Group has had in-house preform capacity since the Previous Acquisition in July 2026, Hangzhou Company's capacity is not sufficient to support the Group's optical fiber production lines in the PRC, Hong Kong and Thailand. The Group therefore continues to procure preforms from Yinhu Tianjin and other suppliers in its ordinary and usual course of business.

Yinhu Tianjin is an established supplier of preforms to the Group under the Framework Procurement Agreement dated 16 January 2026 (as supplemented on 26 June 2026), which covers the year ending 31 December 2026. As set out in the Company's separate announcement of the same date as this announcement, that agreement will be superseded by a new framework purchase agreement between the Company and Futong China, governing the procurement of optical fiber preforms, optical fiber and related raw materials from the Futong China Group (including Yinhu Tianjin) for the three years ending 31 December 2028. In contemplation of the Acquisition, Yinhu Tianjin has provided an undertaking dated 15 October 2026 to supply optical fiber preforms to the Group, with a minimum annual transaction amount of RMB150 million for each of the two years ending 31 December 2028, upon completion of the Acquisition, which will secure a stable and long-term source of key raw materials. Yinhu Tianjin produced approximately 212 tonnes of preforms in 2025, and the Directors consider that the Acquisition will complement these contractual supply arrangements. The framework purchase arrangements secure the Group's access to preform supply on a contractual basis, while the Group's effective equity interest of approximately 24.99% in Yinhu Tianjin will align the interests of the Group and the Target Group, and give the Group better visibility over Yinhu Tianjin's production planning and capacity. Together, they will strengthen the stability of the Group's preform supply, and alleviate its supply chain constraints. The effective equity interest will also allow the Group to share, through equity accounting, in the upstream profit generated by Yinhu Tianjin, including the profit on preforms supplied to the Group itself.

In assessing the overall benefit of the Acquisition to the Company and the Shareholders as a whole, the Directors have also had regard to the manner in which the Consideration is to be settled and to the downside protections negotiated in favour of the Group. The Consideration will be satisfied in full by the allotment and issue of the Consideration Shares under the Specific Mandate, and no cash payment will be made by the Group, thereby preserving the Group's cash and banking facilities for its working capital requirements and its ongoing capital expenditure commitments, without incurring additional indebtedness or increasing the gearing of the Group. The Group's position is further protected by the Profit Guarantee, under which the Seller has guaranteed the audited net profit before income tax of Yinhu Tianjin of not less than RMB150 million for the year

ending 31 December 2026, together with the Compensation mechanism (subject to the maximum Compensation of RMB30 million), the first-priority pledge over the Consideration Shares and the Lock-up arrangement, which operate in combination as a post-Completion adjustment to the effective purchase price and ensure that the Seller retains sufficient recourse assets to satisfy any Compensation which may fall due.

The Directors also consider that the Seller's agreement to receive the entire Consideration in the form of Consideration Shares which are subject to the Lock-up and the pledge, thereby increasing its shareholding in the Company from approximately 12.49% as at the date of this announcement to approximately 19.26% upon Completion, evidences the Seller's confidence in the prospects of the Target Group and aligns the Seller's interests with those of the Shareholders. Whilst the allotment and issue of the Consideration Shares will result in a dilution of the shareholding interests of the existing Shareholders, the Directors (excluding the independent non-executive Directors whose views will be set out in the circular after taking into account the advice of the Independent Financial Adviser) are of the view that the strategic and operational benefits described above, together with the expected earnings contribution of the Target Group, outweigh such dilution and that the Acquisition is in the interests of the Company and the Shareholders as a whole.

Having considered the above reasons and benefits, the Directors (excluding the independent non-executive Directors whose views will be set out in the circular after taking into account the advice of the Independent Financial Adviser) consider that the terms of the Acquisition Agreement are on normal commercial terms and are fair and reasonable, and that the Acquisition is in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

The Company, the Group and the Buyer

The Company is an investment holding company incorporated in the Cayman Islands with limited liability. The Group is principally engaged in the manufacture and sale of optical fiber preforms, optical fiber and optical fiber cable in the PRC, Hong Kong and Thailand. The Buyer is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company, and is principally engaged in investment holding.

The Seller

The Seller is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. As at the date of this announcement, the Seller is a substantial Shareholder interested in 48,367,000 Shares, representing approximately 12.49% of the total issued share capital of the Company. Immediately upon Completion, the Seller's equity interest in the Target Company will decrease from 100% to 51%.

LISTING RULES IMPLICATIONS

Reference is made to (i) the announcements of the Company dated 13 April 2026 and 21 July 2026; (ii) the circular of the Company dated 26 June 2026 in relation to the Previous Acquisition Agreement, pursuant to which the Buyer agreed to acquire the entire issued share capital of Hao Min Investment (an investment holding company owning 51% of the equity interest in Hangzhou Company) from the Seller. The Previous Acquisition was completed on 21 July 2026.

Pursuant to Rule 14A.81 of the Listing Rules, a series of connected transactions will be aggregated and treated as if they were one transaction if they were all entered into or completed within a 12-month period or are otherwise related. Therefore, the Acquisition and the Previous Acquisition are required to be aggregated as they were entered into with the Seller (being the same connected person) within a 12-month period.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition (whether on a standalone basis or when aggregated with the Previous Acquisition pursuant to Rules 14.22 and 14.23 of the Listing Rules) exceed 25% but all are less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and shareholders' approval requirements thereunder.

As at the date of this announcement, the Seller is interested in approximately 12.49% of the total issued share capital of the Company and is therefore a substantial Shareholder and a connected person of the Company at the issuer level under Rule 14A.07(1) of the Listing Rules. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the Acquisition constitutes a connected transaction of the Company, it is subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the date of this announcement, save for Ms. Sheng Lingfei, an executive Director of the Company and board secretary of Futong China, none of the Directors or members of senior management of the Company holds any position in Futong China or any of its subsidiaries. Ms. Sheng is considered to have a material interest in the transactions contemplated under the Acquisition Agreement, and has therefore abstained from voting on the relevant Board resolution(s) approving such transactions. Save as disclosed above, none of the other Directors has any material interest in the Acquisition Agreement or was required to abstain from voting on the relevant Board resolution(s).

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to advise the Independent Shareholders as to whether the terms of the Acquisition Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares under the Specific Mandate) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole, and as to how to vote at the EGM. Red Sun Capital Limited has been appointed, with the approval of the Independent Board Committee, as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Acquisition Agreement and the issuance of the Consideration Shares under the Specific Mandate.

GENERAL

The EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve, among other things, the Acquisition Agreement and the transactions contemplated thereunder, including the allotment and issue of the Consideration Shares under the Specific Mandate, by way of ordinary resolution(s). The Seller, Hong Kong Futong Optical Fiber Company Limited and their respective associates, and any other Shareholder who has a material interest in the Acquisition, will be required to abstain from voting on the relevant resolution(s) at the EGM.

A circular containing, among other things, (i) further information relating to the Acquisition Agreement and the issuance of the Consideration Shares under the Specific Mandate; (ii) a letter from the Independent Board Committee, which sets out the recommendations of the Independent Board Committee to the Independent Shareholders in relation to the Acquisition Agreement and the issuance of the Consideration Shares under the Specific Mandate; (iii) a letter from the Independent Financial Adviser, which sets out the opinions and recommendations of the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Acquisition Agreement and the issuance of the Consideration Shares under the Specific Mandate; and (iv) a notice to convene the EGM, is expected to be despatched to the Shareholders on or before 20 November 2026 in order to allow sufficient time to prepare the necessary information for inclusion in the circular.

Completion is subject to the fulfilment of the Conditions Precedent set out in the Acquisition Agreement, and the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Acquisition”	the acquisition of the Sale Shares by the Buyer from the Seller pursuant to the Acquisition Agreement
“Acquisition Agreement”	the conditional sale and purchase agreement dated 15 October 2026 entered into between the Buyer and the Seller in relation to the Acquisition
“Actual Profits”	has the meaning ascribed to it in the paragraph headed “Profit Guarantee and Cash Compensation Obligation” in this announcement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business

“Company”	Transtech Optelecom Science Holdings Limited (高科橋光導科技股份有限公司), an exempted company with limited liability incorporated in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 9963)
“Compensation”	has the meaning ascribed to it in the paragraph headed “Profit Guarantee and Cash Compensation Obligation” in this announcement
“Completion”	the completion of the Acquisition in accordance with the Acquisition Agreement
“Conditions Precedent”	the conditions precedent set out in the paragraph headed “Conditions Precedent” in this announcement
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	RMB249.90 million in respect of the Acquisition payable by the Buyer to the Seller pursuant to the Acquisition Agreement
“Consideration Shares”	32,487,000 new Shares to be allotted and issued by the Company to the Seller at the Issue Price under the Specific Mandate in satisfaction of the Consideration pursuant to the Acquisition Agreement
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Independent Shareholders to consider and, if thought fit, to approve, among other things, the entry into the Acquisition Agreement and issue of the Consideration Shares under the Specific Mandate, by way of ordinary resolution(s)
“Framework Procurement Agreement”	the framework purchase agreement dated 16 January 2026 entered into between (i) the Group (as purchaser); and (ii) Yinhu Tianjin (as supplier), as supplemented by the supplemental agreement dated 26 June 2026, details of which are set out in (i) the announcements of the Company dated 16 January 2026 and 26 June 2026; and (ii) the circular of the Company dated 26 June 2026
“Futong China”	Futong Group Co., Ltd. (富通集團有限公司), a company incorporated in the PRC and a Controlling Shareholder

“Futong China Group”	Futong China, its subsidiaries and associates (excluding the Group)
“Group”	the Company and its subsidiaries
“Guaranteed Profits”	has the meaning ascribed to it in the paragraph headed “Profit Guarantee and Cash Compensation Obligation” in this announcement
“Hangzhou Company”	富通光電技術(杭州)有限公司 (Futong Optoelectronics Technology (Hangzhou) Co., Ltd.*), a company incorporated in the PRC with limited liability owned as to 51% by the Group and 49% by Futong China as at the date of this announcement
“Hao Min Investment”	Hao Min Investment Holding Limited, an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	the committee of the Board comprising Mr. Li Wei, Mr. Leong Chew Kuan and Mr. Lau Siu Hang, being the independent non-executive Directors, none of whom has any material interest in the Acquisition, established to advise the Independent Shareholders as to voting at the EGM on, among other things, the resolutions approving the Acquisition Agreement and issue of the Consideration Shares under the Specific Mandate
“Independent Financial Adviser”	Red Sun Capital Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, which is the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the entry into the Acquisition Agreement and issue of the Consideration Shares under the Specific Mandate
“Independent Shareholders”	Shareholders other than the Seller, Hong Kong Futong Optical Fiber Company Limited and their respective associates, and any other Shareholder(s) who has/have a material interest in the Acquisition Agreement and the transactions contemplated thereunder (including the issue of the Consideration Shares under the Specific Mandate) and is/are required under the Listing Rules to abstain from voting at the EGM
“Issue Price”	HK\$9.00 per Consideration Share to be issued by the Company to the Seller under the Acquisition Agreement

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lock-up”	has the meaning ascribed to it in the paragraph headed “Lock-up arrangement” in this announcement
“Optel Technology” or “Seller”	Optel Technology Limited, a company incorporated in Hong Kong with limited liability and a substantial Shareholder interested in approximately 12.49% of the total issued share capital of the Company as at the date of this announcement
“Pledged Shares”	has the meaning ascribed to it in the paragraph headed “Profit Guarantee and Cash Compensation Obligation” in this announcement
“PRC”	the People’s Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires otherwise, references to the “PRC” in this announcement do not apply to Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Acquisition”	the acquisition of the entire issued share capital of Hao Min Investment by the Buyer from the Seller which was completed on 21 July 2026
“Previous Acquisition Agreement”	the sale and purchase agreement dated 13 April 2026 entered into between the Buyer and the Seller in relation to the Previous Acquisition
“Profit Guarantee”	the guarantee given by the Seller in favour of the Buyer under the Acquisition Agreement that the Actual Profits shall be no less than the Guaranteed Profits, details of which are set out in the paragraph headed “Profit Guarantee and Cash Compensation Obligation” in this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	4,900 shares of the Target Company, representing 49% of the total issued share capital of the Target Company, held by the Seller and to be sold to the Buyer pursuant to the Acquisition Agreement
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company

“Shareholder(s)”	shareholder(s) of the Company
“Specific Mandate”	the specific mandate to be granted by the Independent Shareholders at the EGM to the Directors to allot and issue the Consideration Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Target Company” or “Hao Tai Investment”	Hao Tai Investment Holding Limited, a company incorporated in Hong Kong with limited liability wholly owned by the Seller, which owns 51% of the effective equity interest in Yinhu Tianjin as at the date of this announcement
“Target Group”	the Target Company and its subsidiaries (including Yinhu Tianjin)
“Transtech HK” or “Buyer”	Transtech (Hong Kong) Investment Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Company
“Yinhu Tianjin”	Yinhu Optical Fiber (Tianjin) Co., Ltd.* (銀湖光纖(天津)有限公司), a company established in the PRC with limited liability, which is effectively owned as to 51% by the Seller (through the Target Company and its wholly-owned subsidiary) and effectively owned as to 49% by Futong China as at the date of this announcement
“%”	per cent.

* Denotes an English translation of a Chinese name and is provided for identification purposes only.

For the purpose of this announcement and for illustration purposes only, amounts denominated in RMB have been converted into HK\$ at the exchange rate of RMB1.00 to HK\$1.17. No representation is made that any amounts in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rate or at all.

By order of the Board
Transtech Optelecom Science Holdings Limited
Mr. Li Jianyang
Chairman and executive Director

Hong Kong, 15 October 2026

As at the date of this announcement, the executive Directors of the Company are Mr. Li Jianyang, Mr. Zou Liming, Mr. Xu Jinjie and Ms. Sheng Lingfei and the independent non-executive Directors of the Company are Mr. Li Wei, Mr. Leong Chew Kuan and Mr. Lau Siu Hang.