

*Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Hong Kong Securities Clearing Company Limited (“**HKSCC**”) 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.*



上海拓璞数控科技股份有限公司

Shanghai Top Numerical Control Technology Co., Ltd.

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

(Stock Code: 7688)

VOLUNTARY ANNOUNCEMENT

LETTER OF INTENT IN RELATION TO A POSSIBLE ACQUISITION

This announcement is made by Shanghai Top Numerical Control Technology Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

LETTER OF INTENT

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 20 October 2026, the Company entered into a non-legally binding letter of intent (the “**LOI**”) with a potential vendor (the “**Potential Vendor**”) and a target company (the “**Target Company**”), pursuant to which the Company will conditionally acquire and the Potential Vendor will conditionally sell, and procure other shareholders of the Target Company to sell, in aggregate not less than 70% of equity interest in the Target Company (the “**Possible Acquisition**”). The Target Company is primarily engaged in the research and development, manufacture, sales, and provision of services in respect of multi-axis multi-channel CNC machine tools and direct-drive high-speed five-axis machines. Its products are widely applied in precision parts processing for 3C precision structural parts, artificial intelligence (“**AI**”) liquid-cooling plates, optical module structural components, humanoid robot precision joints, and new energy vehicle parts. To the best knowledge, information and belief of the Company, having made all reasonable enquiries, the Potential Vendor is a third party independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

Consideration

The consideration for the Possible Acquisition (the “**Consideration**”) and the payment terms shall be further agreed and determined in accordance with and subject to the Formal Agreement (as defined below).

Due Diligence

After the signing of the LOI, the Company shall be entitled to carry out due diligence investigation on the Target Company. The Potential Vendor and the Target Company shall, and shall procure the relevant parties, to provide assistance in this regard.

Formal Agreement

All parties will proceed with further negotiation for entering into the formal and binding agreement in respect of the Possible Acquisition (the “**Formal Agreement**”), subject to the results of due diligence investigation and assessment of valuation.

Each party may, subject to the terms of the LOI, notify the other parties to terminate the LOI, and it shall not be liable for any liability or compensation arising from the non-signing of the Formal Agreement.

Legal Effect

Save for the provisions relating to confidentiality, legal effect and dispute resolution, the LOI does not constitute a legally binding agreement on the parties thereto. The LOI is valid for a period of 90 days, during which any party may terminate the LOI by giving one week’s written notice to other parties.

REASONS FOR AND BENEFITS OF THE POSSIBLE ACQUISITION

The Possible Acquisition forms part of the Group’s strategic layout to enrich its CNC machine tool product matrix and expand into high-growth downstream sectors. Prior to the transaction, the Group primarily focused on large-scale five-axis machine tools for the aviation and aerospace sector. The Target Company possesses mature multi-axis, multi-channel high-speed precision machine tool technologies and direct-drive high-speed five-axis machine technology, alongside an established customer base and turnkey automation delivery capabilities across products for 3C precision structural parts, AI liquid-cooling plates, optical module structural components, humanoid robot precision joints, and new energy vehicle parts.

Upon completion of the transaction, the Group is expected to achieve significant product line complementarity, enabling the Group to rapidly enter aforementioned high-growth sectors, thereby broadening its customer coverage and addressable market. The Group and the Target Company will unlock synergies across research and development, supply chain management, manufacturing, and sales and after-sales services, strengthening the Group's overall competitiveness within the domestic high-end CNC machine tool industry and accelerating the domestic substitution process for core industrial mother machine equipment.

GENERAL

As of the date of this announcement, the terms and conditions of the Possible Acquisition are still being negotiated and no legally binding agreement has been entered into. The Possible Acquisition, if materialized, may constitute a major transaction or very substantial acquisition of the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

As the Possible Acquisition may or may not proceed, shareholders and investors are reminded to exercise caution when dealing in the shares of the Company.

By order of the Board
**SHANGHAI TOP NUMERICAL CONTROL
TECHNOLOGY CO., LTD.**
Dr. Wang Yuhan
Chairman and Executive Director

Hong Kong, 20 October 2026

As at the date of this announcement, the executive directors of the Company are Dr. Wang Yuhan, Mr. Li Yuhao and Mr. Yao Bin; the non-executive directors of the Company are Mr. Li Qingfeng and Mr. Li Yonghao; and the independent non-executive directors of the Company are Dr. Yang Jianguo, Dr. Feng Hutian and Ms. Liu Yueheng.