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HENGXIN TECHNOLOGY LTD.

亨鑫科技有限公司*

*(carrying on business in Hong Kong as HX Singapore Ltd.)
(incorporated in Republic of Singapore with limited liability)
(Stock Code: 1085)*

REVISION AND RENEWAL OF ANNUAL CAPS OF CONTINUING CONNECTED TRANSACTIONS

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



REVISION AND RENEWAL OF ANNUAL CAPS OF CONTINUING CONNECTED TRANSACTIONS

Reference is made to the Company's announcement dated 3 January 2023 in relation to the Existing Purchases Master Agreement and the Existing Sales Master Agreement entered into among Jiangsu Hengxin (a wholly-owned subsidiary of the Company), Hengtong Group and Hengtong Optic-Electric, in relation to (i) the Purchases for a term commencing from 27 February 2023, being the date of the Company's extraordinary general meeting approving the Existing Purchases Master Agreement, to 31 December 2025; and (ii) the Sales for a term commencing from 3 January 2023 to 31 December 2025, respectively.

Given the growing amount of the Purchases and the Sales, the Company anticipates that the Existing Annual Caps will not be sufficient. Accordingly, Jiangsu Hengxin (a wholly-owned subsidiary of the Company), Hengtong Group and Hengtong Optic-Electric entered into the New Purchases Master Agreement and the New Sales Master Agreement for the purpose of revision of the Existing Annual Caps for the year ending 31 December 2025 and setting the New Annual Caps for the year ending 31 December 2026 to facilitate the continuance of the Purchases and the Sales.

* For identification purpose only

LISTING RULES IMPLICATION

As at the date of this announcement, Hengtong Optic-Electric is held as to approximately 23.77% by Hengtong Group, which is beneficially owned by Mr. Cui Genliang and Mr. Cui Wei as to 27% and 73% respectively. Mr. Cui Genliang is the father of Mr. Cui Wei (the chairman of the Board, a non-executive Director and a substantial shareholder of the Company via his wholly-owned entity, Kingever Enterprises Limited). Separately, Mr. Cui Genliang directly owns approximately 3.86% of the share capital of Hengtong Optic-Electric and can control the composition of a majority of the board of directors of Hengtong Optic-Electric. In this regard, each of Mr. Cui Wei, Mr. Cui Genliang, Hengtong Group, Hengtong Optic-Electric and their associates are considered as connected persons of the Company under Rule 14A.07 of the Listing Rules. Accordingly, the transactions under the New Purchases Master Agreement and the New Sales Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for the New Purchases Master Agreement calculated on an annual basis by reference to the highest New Purchases Cap is more than 5% and the highest New Purchases Cap exceeds HK\$10,000,000, the New Purchases Master Agreement is subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for the New Sales Master Agreement calculated on an annual basis by reference to the highest New Sales Cap is more than 5% and the highest New Sales Cap exceeds HK\$10,000,000, the New Sales Master Agreement is subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The Company will convene the EGM to seek approval of the Independent Shareholders for the New Purchases Master Agreement, the New Sales Master Agreement and the transactions contemplated thereunder (including the New Annual Caps). Mr. Cui Wei and his associates are required to abstain from voting on the resolutions for approving the New Purchases Master Agreement, the New Sales Master Agreement and the transactions contemplated thereunder (including the New Annual Caps) at the EGM.

The Independent Board Committee has been formed by the Company to advise the Independent Shareholders on the terms of the New Purchases Master Agreement, the New Sales Master Agreement and the New Annual Caps. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further details of the New Purchases Master Agreement, the New Sales Master Agreement and the New Annual Caps; (ii) the advice from the Independent Board Committee; (iii) the advice to the Independent Board Committee and the Independent Shareholders of the Company from the Independent Financial Adviser; together with (iv) the notice convening the EGM, will be despatched by the Company to the Shareholders on or before 21 November 2025.

BACKGROUND

Reference is made to the Company's announcement dated 3 January 2023 in relation to the Existing Purchases Master Agreement and the Existing Sales Master Agreement entered into among Jiangsu Hengxin (a wholly-owned subsidiary of the Company), Hengtong Group and Hengtong Optic-Electric, in relation to (i) the Purchases for a term commencing from 27 February 2023, being the date of the Company's extraordinary general meeting approving the Existing Purchases Master Agreement, to 31 December 2025; and (ii) the Sales for a term commencing from 3 January 2023 to 31 December 2025, respectively.

Given the growing amount of the Purchases and the Sales, the Company anticipates that the Existing Annual Caps will not be sufficient. Accordingly, Jiangsu Hengxin (a wholly-owned subsidiary of the Company), Hengtong Group and Hengtong Optic-Electric entered into the New Purchases Master Agreement and the New Sales Master Agreement for the purpose of revision of the Existing Annual Caps for the year ending 31 December 2025 and setting the New Annual Caps for the year ending 31 December 2026 to facilitate the continuance of the Purchases and the Sales.

NEW PURCHASES MASTER AGREEMENT

The principal terms of the New Purchases Master Agreement are set out below:

Date

31 October 2025

Parties

Jiangsu Hengxin (as purchaser), Hengtong Group and Hengtong Optic-Electric (as suppliers)

Term

Effective Date to 31 December 2026

Subject Matter

Pursuant to the New Purchases Master Agreement, the Connected Parties will supply copper tape, PE (polyethylene) (聚乙烯), LSZH PO (low smoke zero halogen polyolefins) (無鹵低煙聚烯烴), PVC (polyvinyl chloride) (聚氯乙烯), fibrous web, cable clamp, iron-wooden drum, plaster drum, hybrid cables, power cables, optical module and other raw materials for production of radio frequency coaxial cables, antennas and base station (the “**Materials**”) to Jiangsu Hengxin, on terms no less favourable than those offered by any Independent Third Parties.

Conditions precedent

The New Purchases Master Agreement is subject to fulfilment of the following conditions:

- (a) publication of the announcement and the circular in relation to the New Purchases Master Agreement by the Company as required under the Listing Rules; and
- (b) having obtained approval from the Independent Shareholders on the transactions contemplated thereunder (including the New Purchases Caps) in accordance with the Listing Rules.

Pricing policy

Pursuant to the New Purchases Master Agreement, the purchase price shall be determined in accordance with the following basis:

- (a) Jiangsu Hengxin shall conduct the tender process for the purchase of raw materials and determine the price; and
- (b) if there is no tender process, the purchase price (per unit) shall be determined after negotiation between the Connected Parties and Jiangsu Hengxin. The principal factor to be taken into account in fixing the market price shall be the fair price of the same or similar goods offered by Independent Third Parties in Jiangsu Province or the regions nearby or in the vicinity of the purchaser’s location.

New Purchases Caps

Set out below are (i) the historical Purchases amount for the two years ended 31 December 2024 and the eight months ended 31 August 2025; (ii) the Existing Purchases Caps for the three years ending 31 December 2025; and (iii) the New Purchases Caps for the two years ending 31 December 2026:

| | For the year ended 31 December 2023 ("FY2023") RMB | For the year ended 31 December 2024 ("FY2024") RMB | For the eight months ended 31 August 2025 ("8M2025") RMB |
|--|---|---|---|
|--|---|---|---|

| | | | |
|--------------------------------|-------------|-------------|-------------|
| Historical Purchases amount | 198,392,505 | 246,380,650 | 210,375,710 |
|--------------------------------|-------------|-------------|-------------|

| | For the year ended 31 December 2023 RMB | For the year ended 31 December 2024 RMB | For the year ending 31 December 2025 ("FY2025") RMB | For the year ending 31 December 2026 ("FY2026") RMB |
|-------------------------|--|--|--|--|
| Existing Purchases Caps | 253,000,000 | 253,000,000 | 253,000,000 | N/A |
| New Purchases Caps | N/A | N/A | 560,000,000 | 560,000,000 |

The New Purchases Caps were determined based on the following factors:

- (i) The historical Purchases amount for FY2024 increased by approximately 24% as compared to that for FY2023.
- (ii) The historical Purchases amount for FY2024 represented an utilisation rate of approximately 97% of the Existing Purchases Cap for FY2024.
- (iii) The historical Purchases amount for 8M2025 reached approximately 83% of the Existing Purchases Cap for FY2025.
- (iv) Jiangsu Hengxin's total purchases amount of the Materials (including those from independent parties and the Connected Parties) was approximately RMB399 million for FY2023 and RMB683 million for FY2024, indicating the possible demand for the Materials by Jiangsu Hengxin.
- (v) Given that Jiangsu Hengxin normally procures the Materials from the supplier which offered competitive prices, it is possible for Jiangsu Hengxin to procure more Materials from the Connected Parties.

- (vi) The Company estimated that the Purchases amount to be approximately RMB560 million for FY2025, representing approximately 82% of Jiangsu Hengxin's total purchases amount of the Materials for FY2024. Accordingly, the New Purchases Cap for FY2025 was set at RMB560 million.
- (vii) As the Company expects the Connected Parties to continue offering competitive prices for the Materials, the Company estimated that the Purchases amount to be approximately RMB560 million for FY2026 remaining at the same level as FY2025.

Others

The New Purchases Master Agreement will supersede the Existing Purchases Master Agreement from the Effective Date.

NEW SALES MASTER AGREEMENT

The principal terms of the New Sales Master Agreement are set out below:

Date

31 October 2025

Parties

Jiangsu Hengxin (as seller), Hengtong Group and Hengtong Optic-Electric (as purchasers)

Term

Effective Date to 31 December 2026

Subject Matter

Pursuant to the New Sales Master Agreement, Jiangsu Hengxin will provide the Group's products, such as radio frequency coaxial cable series for mobile communications, telecommunications equipment and accessories, high temperature resistant cables and antennas and scrap materials derived from the Group's production (the "**Products**") to the Connected Parties, on terms no more favourable than those offered to any Independent Third Parties.

Conditions precedent

The New Sales Master Agreement is subject to fulfilment of the following conditions:

- (a) publication of the announcement and the circular in relation to the New Sales Master Agreement by the Company as required under the Listing Rules; and

- (b) having obtained approval from the Independent Shareholders on the transactions contemplated thereunder (including the New Sales Caps) in accordance with the Listing Rules.

Pricing policy

Pursuant to the New Sales Master Agreement, the purchase price shall be determined in accordance with the following basis:

When the Connected Parties obtain quotation from Jiangsu Hengxin for purchase of a particular type of the products, the sales department of Jiangsu Hengxin will give quotation such that acceptance of the Connected Parties' order will generate a positive gross profit margin to the Group. If Jiangsu Hengxin receives orders from both the Connected Parties and Independent Third Parties for the same product at the same time, the order from the Connected Parties will be accepted only when the Connected Parties' order can generate a higher gross profit margin to the Group or when Jiangsu Hengxin is capable of accepting the orders from both the Connected Parties and other third party customers based on the Group's then production capacity.

New Sales Caps

Set out below are (i) the historical Sales amount for the two years ended 31 December 2024 and the eight months ended 31 August 2025; (ii) the Existing Sales Caps for the three years ending 31 December 2025; and (iii) the New Sales Caps for the two years ending 31 December 2026:

| | For the year ended 31 December 2023 RMB | For the year ended 31 December 2024 RMB | For the eight months ended 31 August 2025 RMB | |
|-------------------------|--|--|--|---|
| Historical Sales amount | 44,662,581 | 56,139,356 | 56,608,096 | |
| | For the year ended 31 December 2023 RMB | For the year ended 31 December 2024 RMB | For the year ending 31 December 2025 RMB | For the year ending 31 December 2026 RMB |
| Existing Sales Caps | 46,000,000 | 57,400,000 | 71,900,000 | N/A |
| New Sales Caps | N/A | N/A | 127,000,000 | 150,000,000 |

The New Sales Caps were determined based on the following factors:

- (i) After Jiangsu Hengxin extending the Sales to overseas subsidiaries/associates of the Connected Parties and including scrap materials derived from the Group's production under the Products for the three years ending 31 December 2025, the Sales amount increased substantially. The historical Sales amounts for (a) the five years ended 31 December 2024 were approximately RMB8 million, RMB7 million, RMB9 million, RMB45 million, RMB56 million respectively; and (b) 8M2025 was approximately RMB57 million.
- (ii) The historical Sales amount for (a) FY2023 increased by approximately 389% as compared to that for the year ended 31 December 2022; and (b) FY2024 increased by approximately 26% as compared to that for FY2023.
- (iii) The historical Sales amount for FY2023 and FY2024 represented utilisation rates of approximately 97% and approximately 98% of the Existing Sales Caps for FY2023 and FY2024 respectively. The Sales amounts for FY2023 and FY2024 were restricted by the Existing Sales Caps.
- (iv) The historical Sales amount for 8M2025 exceeded the historical Sales amount for FY2024 and reached approximately 79% of the Existing Sales Cap for FY2025.
- (v) For FY2025, Jiangsu Hengxin estimated to sell (i) scrap materials derived from the Group's production of approximately RMB36 million to the Connected Parties; and (ii) other Products of approximately RMB91 million to overseas entities related to the Connected Parties. Accordingly, the Company set the Proposed Sales Caps at approximately RMB127 million for FY2025.
- (vi) For FY2026, Jiangsu Hengxin estimated to sell (i) scrap materials derived from the Group's production of approximately RMB36 million to the Connected Parties; and (ii) other Products of approximately RMB101 million to overseas entities to the Connected Parties. Together with a buffer of approximately 10% (to cater for unforeseeable circumstances), the New Sales Cap was set at RMB150 million for FY2026.

Others

The New Sales Master Agreement will supersede the Existing Sales Master Agreement from the Effective Date.

INTERNAL CONTROL MEASURES

Pricing Policy

New Purchases Master Agreement

The Company adopts the following internal control measures in respect of pricing policy of the New Purchases Master Agreement:

In general, the Group adopts tender process for general materials that are required for monthly purchase and does not adopt tender process (i.e. only negotiation for pricing between parties) for one-off individual purchases.

Details of the tender process are set out below:

- (i) Every year tender documents are issued to at least 2 qualified suppliers for supply of the materials. These suppliers are selected by the purchasing department of Jiangsu Hengxin from the list of qualified suppliers. In order to admit a supplier into the list of qualified suppliers, the staff from the purchasing department will conduct site visit, review documents regarding the supplier's background, production capacity and equipment assessment, sample testing of materials, and finally conduct quality control checks on the materials and finished products by using these materials. Only when the supplier has passed all these assessments and been approved by the purchasing department will it be admitted into the list of qualified suppliers.
- (ii) The tender panel (the "**Panel**"), comprising the heads of the respective departments of production, purchasing, finance, operation planning, technical and quality as well as the general manager, will evaluate the tenders submitted and determine the successful tender. The Panel will consider various factors, such as tender price and product quality, and for recurring suppliers, timely delivery or other logistics or service-related factors, etc. during the evaluation. Generally, if the tenderers obtain similar score in overall assessment, the tenderer offering the most favourable terms and materials quality in general wins the tender.

If there is no tender process, the purchase price for the materials shall be the fair price negotiated and agreed between the parties. In such circumstance, the Group will adopt the following procedures to determine the fair price for the materials:

- (i) The purchasing department of Jiangsu Hengxin will obtain quotations from the Connected Parties and at least one independent qualified supplier who supply the materials.
- (ii) The purchasing department will compare the quotations and provided that the materials which have previously sold to Jiangsu Hengxin by those independent qualified suppliers and the Connected Parties are of similar quality and have passed the Group's internal quality control check, the purchasing department will purchase the materials from the supplier who has given the most favourable terms and materials quality in general.

New Sales Master Agreement

The Company adopts the following internal control measures in respect of pricing policy of the New Sales Master Agreement:

Sales to connected parties must be on normal commercial terms or better, comparable to arm's-length transactions with independent third parties.

Details of the procedures for sales to connected parties are set out below:

When the Connected Parties obtain quotation from Jiangsu Hengxin for purchase of a particular type of the products, the sales department of Jiangsu Hengxin will give quotation such that acceptance of the Connected Parties' order will generate a positive gross profit margin to the Group. If Jiangsu Hengxin receives orders from both the Connected Parties and Independent Third Parties for the same product at the same time, the order from the Connected Parties will be accepted only when the Connected Parties' order can generate a higher gross profit margin to the Group or when Jiangsu Hengxin is capable of accepting the orders from both the Connected Parties and other third party customers based on the Group's then production capacity. In addition, it is a general policy of the Group that approval from the general manager of Jiangsu Hengxin is required in the event where an order (whether from the Connected Parties or other Independent Third Parties) can only generate a gross profit margin of less than 10% to the Group.

Internal Control Measures in respect of the New Annual Caps

The Company adopts the following internal control measures in respect of the New Annual Caps:

New Purchases Master Agreement

New Purchases Caps shall be monitored by the relevant departments to avoid purchase orders exceeding the New Purchases Caps on a monthly basis with a New Purchases Caps utilization summary to the management of the Company. An early warning shall be triggered at 70% utilization, prompting management for a demand forecast review, and at 90% utilization, a mandatory Board review shall be required to decide on New Purchases Caps revision or suspension of further purchases. Any revision of the New Purchases Caps will be conducted in compliance with Rule 14A.54 and all other applicable requirement under Chapter 14A of the Listing Rules. The independent non-executive Directors shall perform annual review of the New Purchases Caps utilization for the previous year. The independent non-executive Directors shall confirm in the annual report that the Purchases did not exceed the approved New Purchases Caps, and the external auditor shall also perform assurance work on the New Purchases Caps.

New Sales Master Agreement

The New Sales Caps shall be monitored by the relevant departments to avoid sales orders exceeding the New Sales Caps on a monthly basis with a New Sales Caps utilization summary to the management of the Company. An early warning shall be triggered at 70% utilization, prompting management for a supply forecast review, and at 90% utilization, a mandatory Board review shall be required to decide on New Sales Caps revision or suspension of further Sales. Any revision of the New Sales Caps will be conducted in compliance with Rule 14A.54 and all other applicable requirements under Chapter 14A of the Listing Rules. The independent non-executive Directors shall perform annual review of the New Sales Caps utilization for the previous year. The independent non-executive Directors shall confirm in the annual report that the Sales did not exceed the approved New Sales Caps, and the external auditor shall also perform assurance work on the New Sales Caps.

By implementing the above policy and procedures, the Directors consider that the Company has sufficient internal control to ensure that (i) the pricing basis for the Purchases and Sales will be in accordance with the terms under the agreement, on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders as a whole; and (ii) the Purchases amount and the Sales amount will not exceed the New Annual Caps.

INFORMATION OF THE CONNECTED PARTIES

Jiangsu Hengxin is wholly-owned subsidiary of the Company and is principally engaged in research, design, development and manufacture of telecommunications and technological products, production of radio frequency coaxial cables for mobile communications and mobile communications systems exchange equipment.

Hengtong Group is a company incorporated in the PRC with limited liability and is an investment holding company with investments covering fibre optical communication, power transmission, EPC turnkey service and maintenance, as well as IoT, big data, e-commerce, new materials and new energy.

Hengtong Optic-Electric is a company incorporated in the PRC with its shares listed on the Shanghai Stock Exchange. Hengtong Optic-Electric is principally engaged in the businesses of optic-communications, marine-communications, smart grid and marine power.

As at the date of this announcement, Hengtong Optic-Electric is held as to approximately 23.77% by Hengtong Group, which is beneficially owned by Mr. Cui Genliang and Mr. Cui Wei as to 27% and 73% respectively. Mr. Cui Genliang is the father of Mr. Cui Wei (the chairman of the Board, a non-executive Director and a substantial shareholder of the Company via his wholly-owned entity, Kingever Enterprises Limited). Separately, Mr. Cui Genliang directly owns approximately 3.86% of the share capital of Hengtong Optic-Electric and can control the composition of a majority of the board of directors of Hengtong Optic-Electric. In this regard, each of Mr. Cui Wei, Mr. Cui Genliang, Hengtong Group, Hengtong Optic-Electric and their associates are considered as connected persons of the Company under Rule 14A.07 of the Listing Rules.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The Company is an investment holding company. The Group is principally engaged in the provision of digital technology and digital security products and services, the provision of new energy and services and the provision of telecommunications products and services.

Jiangsu Hengxin is wholly-owned subsidiary of the Company and is principally engaged in research, design, development and manufacture of telecommunications and technological products, production of radio frequency coaxial cables for mobile communications and mobile communications systems exchange equipment.

The Purchases

Jiangsu Hengxin has been purchasing the Materials from the Connected Parties since December 2008 under its ordinary and usual course of business for the manufacturing and provision of its products.

As the historical Purchases amount was approximately RMB210 million for 8M2025, representing approximately 83% of the Existing Purchases Cap for FY2025, the Company anticipates that the Existing Purchases Cap for FY2025 will not be sufficient. In addition, as elaborated under the sub-section headed “New Purchases Caps” above, the Group requires a higher annual cap for FY2025. Given the above and to facilitate the continuity of the Purchases, Jiangsu Hengxin (a wholly-owned subsidiary of the Company), Hengtong Group and Hengtong Optic-Electric entered into the New Purchases Master Agreement for the purpose of revision of the Existing Purchases Cap for the FY2025 and setting the New Purchases Cap for FY2026.

The Directors (excluding the independent non-executive Directors) consider that the New Purchases Master Agreement was entered into in the ordinary and usual course of business of the Group, the terms of the New Purchases Master Agreement and the transactions contemplated thereunder (including the New Purchases Caps), are fair and reasonable and are in the interest of the Company and Shareholders as a whole.

The Sales

Jiangsu Hengxin has been selling the Products to the Connected Parties since December 2008 under its ordinary and usual course of business.

As the historical Sales amount was approximately RMB57 million for 8M2025, representing approximately 79% of the Existing Sales Cap for FY2025, the Company anticipates that the Existing Sales Cap for FY2025 will not be sufficient. In addition, as elaborated under the sub-section headed “New Sales Caps” above, the Group requires a higher annual cap for FY2025. Given the above and to facilitate the continuity of the Sales, Jiangsu Hengxin (a wholly-owned subsidiary of the Company), Hengtong Group and Hengtong Optic-Electric entered into the New Sales Master Agreement for the purpose of revision of the Existing Sales Cap for the FY2025 and setting the New Sales Cap for FY2026.

The Directors (excluding the independent non-executive Directors) consider that the New Sales Master Agreement was entered into in the ordinary and usual course of business of the Group, the terms of the New Sales Master Agreement and the transactions contemplated thereunder (including the New Sales Caps), are fair and reasonable and are in the interest of the Company and Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Hengtong Optic-Electric is held as to approximately 23.77% by Hengtong Group, which is beneficially owned by Mr. Cui Genliang and Mr. Cui Wei as to 27% and 73% respectively. Mr. Cui Genliang is the father of Mr. Cui Wei (the chairman of the Board, a non-executive Director and a substantial shareholder of the Company via his wholly-owned entity, Kingever Enterprises Limited). Separately, Mr. Cui Genliang directly owns approximately 3.86% of the share capital of Hengtong Optic-Electric and can control the composition of a majority of the board of directors of Hengtong Optic-Electric. In this regard, each of Mr. Cui Wei, Mr. Cui Genliang, Hengtong Group, Hengtong Optic-Electric and their associates are considered as connected persons of the Company under Rule 14A.07 of the Listing Rules. Accordingly, the transactions under the New Purchases Master Agreement and the New Sales Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for the New Purchases Master Agreement calculated on an annual basis by reference to the highest New Purchases Cap is more than 5% and the highest New Purchases Cap exceeds HK\$10,000,000, the New Purchases Master Agreement is subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for the New Sales Master Agreement calculated on an annual basis by reference to the highest New Sales Cap is more than 5% and the highest New Sales Cap exceeds HK\$10,000,000, the New Sales Master Agreement is subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The Company will convene the EGM to seek approval of the Independent Shareholders for the New Purchases Master Agreement, the New Sales Master Agreement and the transactions contemplated thereunder (including the New Annual Caps). Mr. Cui Wei and his associates are required to abstain from voting on the resolutions for approving the New Purchases Master Agreement, the New Sales Master Agreement and the transactions contemplated thereunder (including the New Annual Caps) at the EGM.

The Independent Board Committee has been formed by the Company to advise the Independent Shareholders on the terms of the New Purchases Master Agreement, the New Sales Master Agreement and the New Annual Caps. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regards.

A circular containing, among other things, (i) further details of the New Purchases Master Agreement, the New Sales Master Agreement and the New Annual Caps; (ii) the advice from the Independent Board Committee; (iii) the advice to the Independent Board Committee and the Independent Shareholders of the Company from the Independent Financial Adviser; together with (iv) the notice convening the EGM, will be despatched by the Company to the Shareholders on or before 21 November 2025.

DEFINITIONS

Unless the context requires otherwise, the following words and phrases used in this announcement have the following meanings:

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| “associate(s)” | has the meaning ascribed to this term under the Listing Rules |
| “Board” | the board of the directors of the Company |
| “Company” | Hengxin Technology Ltd., a company incorporated in Republic of Singapore with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1085) |
| “Connected Parties” | Hengtong Group, Hengtong Optic-Electric and their respective associates |
| “connected person(s)” | has the meaning ascribed to it in the Listing Rules |
| “Directors” | the directors of the Company |
| “Effective Date” | the date on which the conditions precedent to the New Purchases Master Agreement/the New Sales Master Agreement are fulfilled |
| “EGM” | an extraordinary general meeting of the Company to be held to approve the New Purchases Master Agreement and the transactions contemplated thereunder (including the New Annual Caps) |
| “Existing Annual Caps” | the Existing Purchases Caps and the Existing Sales Caps |
| “Existing Purchases Cap(s)” | the existing annual caps for the three years ending 31 December 2025 under the Existing Purchases Master Agreement |

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| “Existing Purchases Master Agreement” | the materials purchase master agreement dated 3 January 2023 entered into among Jiangsu Hengxin, Hengtong Group and Hengtong Optic-Electric, in relation to the Purchases for a term up to 31 December 2025 |
| “Existing Sales Caps” | the existing annual caps for the three years ending 31 December 2025 under the Existing Sales Master Agreement |
| “Existing Sales Master Agreement” | the products sales master agreement dated 3 January 2023 entered into among Jiangsu Hengxin, Hengtong Group and Hengtong Optic-Electric, in relation to the Sales for a term up to 31 December 2025 |
| “Group” | the Company and its subsidiaries |
| “Hengtong Group” | Hengtong Group Co., Ltd. (亨通集團有限公司) |
| “Hengtong Optic-Electric” | Hengtong Optic-Electric Co., Ltd. (江蘇亨通光電股份有限公司) |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Independent Board Committee” | an independent committee of the Board comprising all independent non-executive Directors to advise the Independent Shareholders in respect of the New Purchases Master Agreement, the New Sales Master Agreement and the transactions contemplated thereunder (including the New Annual Caps) |
| “Independent Financial Adviser” or “Gram Capital” | Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the New Purchases Master Agreement, the New Sales Master Agreement and the transactions contemplated thereunder (including the New Annual Caps) |
| “Independent Shareholders” | Shareholders other than Mr. Cui Genliang and Mr. Cui Wei and their associates |
| “Independent Third Party(ies)” | person(s) or company(ies) which is/are third party(ies) independent of the Company and its connected persons |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |

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|----------------------------------|--|
| “New Annual Cap(s)” | the New Purchases Caps and the New Sales Caps |
| “New Purchases Cap(s)” | the revised annual cap for the year ending 31 December 2025 and the new annual cap for the year ending 31 December 2026 under the New Purchases Master Agreement |
| “New Purchases Master Agreement” | the materials purchase master agreement dated 31 October 2025 entered into among Jiangsu Hengxin, Hengtong Group and Hengtong Optic-Electric, in relation to the Purchases for a term commencing from Effective Date to 31 December 2026, which will supersede the Existing Purchases Master Agreement |
| “New Sales Cap(s)” | the revised annual cap for the year ending 31 December 2025 and the new annual cap for the year ending 31 December 2026 under the New Sales Master Agreement |
| “New Sales Master Agreement” | the products sales master agreement dated 31 October 2025 entered into among Jiangsu Hengxin, Hengtong Group and Hengtong Optic-Electric, in relation to the Purchases for a term commencing from Effective Date to 31 December 2026, which will supersede the Existing Sales Master Agreement |
| “PRC” | the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Purchases” | the purchases of materials by Jiangsu Hengxin from the Connected Parties |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Sales” | the sales of products by Jiangsu Hengxin to the Connected Parties |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s) of the issued share capital of the Company |
| “Shareholder(s)” | holder(s) of the issued Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |

“%”

per cent.

By Order of the Board
Hengxin Technology Ltd.
Cui Wei
Chairman

Hong Kong, 31 October 2025

As at the date of this announcement, the executive directors of the Company are Mr. Peng Yinan and Lau Fai Lawrence; the non-executive directors of the Company are Mr. Cui Wei, Mr. Tao Shunxiao and Mr. Zeng Guowei; and the independent non-executive directors of the Company are Mr. Qian Ziyang, Ms. Lin Ting and Mr. Chan Hon Chung Johnny.