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Breton Technology Co., Ltd.

博雷頓科技股份有限公司

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

(Stock Code: 1333)

CONNECTED TRANSACTION

ENTERING INTO THE CAPITAL INCREASE AGREEMENT

The Board of the Company is pleased to announce that on December 2, 2025, the Company, Breton Intelligent (a wholly-owned subsidiary of the Company), Breton Investment, Mr. Bai Furu (白富儒), Mr. Cui Hongyang (崔弘揚) and Mr. Huang Haike (黃海科) entered into the Capital Increase Agreement. Pursuant to the Agreement, the Company shall contribute RMB24 million in cash, Breton Investment shall contribute RMB3 million in cash, Mr. Cui Hongyang shall contribute RMB6 million in cash, Mr. Huang Haike shall contribute RMB4 million in cash, and Mr. Bai Furu shall contribute RMB3 million in cash. They shall collectively contribute RMB40 million in cash to increase the capital and expand the share of Breton Intelligent.

Prior to the Capital Increase, Breton Intelligent was a wholly-owned subsidiary of the Company. Upon completion of the Capital Increase, the registered capital of Breton Intelligent will increase from RMB10 million to RMB50 million, and Breton Intelligent will be held by the Company as to approximately 68%, Breton Investment as to approximately 6%, Mr. Cui Hongyang as to approximately 12%, Mr. Huang Haike as to approximately 8% and Mr. Bai Furu as to approximately 6%. Although the Company's shareholding in Breton Intelligent will decrease from 100% to approximately 68%, Breton Intelligent will remain a subsidiary of the Company and will be included in the consolidated financial statements of the Group.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Breton Investment is one of the controlling shareholders of the Company. Pursuant to Chapter 14A of the Listing Rules, Breton Investment is a connected person of the Company. Therefore, the transaction contemplated under the Capital Increase Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratios (as defined under the Listing Rules) in respect of the Capital Increase exceed 0.1% but is less than 5%, the Capital Increase is only subject to the reporting and announcement requirements, but exempt from the publication of a circular and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Upon completion of the Capital Increase, the Company's shareholding in Breton Intelligent will be diluted from 100% to approximately 68%, which will be deemed as a disposal of approximately 32% equity interest in Breton Intelligent by the Company. As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Capital Increase are not more than 5%, the aforesaid deemed disposal is not subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Pursuant to the Listing Rules, the transaction contemplated under the Capital Increase Agreement shall be aggregated with the Previous Connected Transaction. As the highest applicable percentage ratio (as defined under the Listing Rules), after aggregation, exceeds 0.1% but is less than 5%, the transaction contemplated under the Capital Increase Agreement is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from the publication of a circular and the independent shareholders' approval requirements.

INTRODUCTION

The Board of the Company is pleased to announce that on December 2, 2025, the Company, Breton Intelligent (a wholly-owned subsidiary of the Company), Breton Investment, Mr. Bai Furu (白富儒), Mr. Cui Hongyang (崔弘揚) and Mr. Huang Haike (黃海科) entered into the Capital Increase Agreement. Pursuant to the Agreement, the Company shall contribute RMB24 million in cash, Breton Investment shall contribute RMB3 million in cash, Mr. Cui Hongyang shall contribute RMB6 million in cash, Mr. Huang Haike shall contribute RMB4 million in cash, and Mr. Bai Furu shall contribute RMB3 million in cash. They shall collectively contribute RMB40 million in cash to increase the capital and expand the share of Breton Intelligent.

Prior to the Capital Increase, Breton Intelligent was a wholly-owned subsidiary of the Company. Upon completion of the Capital Increase, the registered capital of Breton Intelligent will increase from RMB10 million to RMB50 million, and Breton Intelligent will be held by the Company as to approximately 68%, Breton Investment as to approximately 6%, Mr. Cui Hongyang as to approximately 12%, Mr. Huang Haike as to approximately 8% and Mr. Bai Furu as to approximately 6%. Although the Company's shareholding in Breton Intelligent will decrease from 100% to approximately 68%, Breton Intelligent will remain a subsidiary of the Company and will be included in the consolidated financial statements of the Group.

CAPITAL INCREASE AGREEMENT

The principal terms of the Capital Increase Agreement are summarised as follows:

- ***Date:***

December 2, 2025

- ***Parties:***

- (1) the Company;
- (2) Breton Intelligent;
- (3) Breton Investment;
- (4) Mr. Cui Hongyang;
- (5) Mr. Huang Haike; and
- (6) Mr. Bai Furu.

collectively the “**Parties**”, and each a “**Party**”.

- ***Capital Increase:***

- (1) The Parties agree that the registered capital of Breton Intelligent will increase from RMB10 million to RMB50 million, with the new increase being RMB40 million;
- (2) The subscription price for the Capital Increase shall be RMB1 for each RMB1 of the registered capital;
- (3) The Parties shall contribute capital in cash, of which the Company shall contribute RMB24 million from its own funds, Breton Investment shall contribute RMB3 million, Mr. Cui Hongyang shall contribute RMB6 million, Mr. Huang Haike shall contribute RMB4 million, and Mr. Bai Furu shall contribute RMB3 million. They shall collectively contribute RMB40 million. Among which, RMB40 million shall be credited to the registered capital of Breton Intelligent, and RMB0 shall be credited to the capital reserve of Breton Intelligent;
- (4) The Parties agree that within 5 working days after the effective date of the Agreement, the capital contribution shall be paid in a lump sum to the account of Breton Intelligent;
- (5) Breton Intelligent shall, within 30 days after all investors have paid the full amount of their capital contributions, submit the industrial and commercial registration documents for the capital increase to the registration authority, and provide the new shareholders with documents such as a company chop-stamped copy of its business licence and the capital contribution certificate. The date on which the industrial and commercial registration for the change is completed shall be the closing date.

(6) The shareholding structure prior to and after the Capital Increase is as follows:

No.	Name of Shareholders	Prior to the Capital Increase		After the Capital Increase	
		Capital Contribution (RMB'0,000)	Percentage of Shareholding	Capital Contribution (RMB'0,000)	Percentage of Shareholding
1	The Company	1,000	100%	3,400	68%
2	Breton Investment	0	0	300	6%
3	Mr. Cui Hongyang	0	0	600	12%
4	Mr. Huang Haike	0	0	400	8%
5	Mr. Bai Furu	0	0	300	6%
Total		1,000	100%	5,000	100%

The Capital Increase Agreement shall become effective upon being signed by the Parties and approved at the general meeting of Breton Intelligent.

The capital increase payment made by the Company in the Capital Increase will be settled with the net proceeds from the global offering of the Company.

INFORMATION ON BRETON INTELLIGENT

Breton Intelligent is a limited liability company headquartered in Shanghai, the PRC, and a wholly-owned subsidiary of the Company, established on June 25, 2019, with Mr. Chen Fangming as its legal representative. Breton Intelligent is principally engaged in technical services, technology development, artificial intelligence application and research and development, manufacturing and sales of intelligent vehicle equipment and mining machinery, and provides solutions related to intelligent control system integration, computer system services, and engineering and technology research, focusing on application innovation in intelligent mining and automation scenarios. Upon completion of the Capital Increase, Breton Intelligent will be able to effectively integrate the resources of all shareholders and concentrate its efforts on advancing the research, development and deployment of unmanned wide-body mining trucks.

The unaudited key financial data of Breton Intelligent for the years ended December 31, 2023 and 2024, prepared in accordance with the China Accounting Standards for Business Enterprises, is as follows:

	For the year ended December 31,	
	2024 (RMB)	2023 (RMB)
Profit/(loss) before taxation	32,450.51	(358,804.54)
Profit/(loss) after taxation	32,450.51	(358,804.54)

As of December 31, 2024, the unaudited net assets of Breton Intelligent were approximately RMB320,217.95.

BASIS FOR DETERMINING THE CONSIDERATION UNDER THE CAPITAL INCREASE AGREEMENT

Pursuant to the Capital Increase Agreement, all investors will make capital contributions at a price of RMB1 for each RMB1 of the registered capital. The price was determined through arm's length negotiations among the Parties of the Capital Increase on a voluntary, fair and equitable basis, taking into account all factors such as the financial position of the Parties and Breton Intelligent as of the date of this announcement, Breton Intelligent's capital requirements for research, development and deployment of unmanned wide-body mining trucks in mining areas.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CAPITAL INCREASE AGREEMENT

The Capital Increase will enhance the capital strength of Breton Intelligent, laying a solid capital foundation for them to advance intelligent mining and automation-related businesses, and is also in line with the strategic development plans of Breton Investment and other investors. Meanwhile, the introduction of external capital can further optimize its equity structure, enhance the Company's governance level, promote its long-term robust development, and ultimately improve the Company's core competitiveness and drive its long-term high-quality development. Although the Company's shareholding in Breton Intelligent will decrease, Breton Intelligent will remain a subsidiary of the Company and will be included in the consolidated financial statements of the Group. The Capital Increase will not have a material adverse impact on the financial position and business of the Company.

As disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus, approximately 20% of the net proceeds, or HK\$29.5 million, will be used to develop a suite of scenario-specific products and solutions equipped with intelligent technologies, alongside advanced systems such as an AI-powered expert service support system, automated operating systems utilizing cloud and edge computing, and a roadside system for autonomous cluster operations. As part of this plan, the Capital Increase reinforces the Group's plan to position Breton Intelligent as the core entity focusing on the research, development and deployment of unmanned wide-body mining trucks, leveraging and integrating resources to advance the development of next-generation unmanned vehicles and dispatching systems. Breton Intelligent will further develop a suite of scenario-specific products and solutions equipped with intelligent technologies, as well as an AI-powered expert service support system. Breton Intelligent will also continue to strengthen its research & development talent capabilities by recruiting specialists in algorithms, machine learning and other relevant fields to enhance its core technological competencies.

The Directors (including the independent non-executive Directors) confirm that (i) the terms of the Capital Increase Agreement are fair and reasonable; (ii) the terms of the Capital Increase Agreement are entered into on normal commercial terms or better; and (iii) the Capital Increase is in the interests of the Company and its shareholders as a whole.

FINANCIAL IMPACT OF THE CAPITAL INCREASE

Upon completion of the Capital Increase, although the Company's shareholding in Breton Intelligent will decrease, Breton Intelligent will remain a subsidiary of the Company and will be included in the consolidated financial statements of the Group. According to the China Accounting Standards for Business Enterprises, the Company will not record any profit or loss from the Capital Increase. The Capital Increase will not have any material adverse impact on the Company's operations or financial position, nor will it prejudice the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Breton Investment is one of the controlling shareholders of the Company. Pursuant to Chapter 14A of the Listing Rules, Breton Investment is a connected person of the Company. Therefore, the transaction contemplated under the Capital Increase Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratios (as defined under the Listing Rules) in respect of the Capital Increase exceed 0.1% but is less than 5%, the Capital Increase is only subject to the reporting and announcement requirements, but exempt from the publication of a circular and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Upon completion of the Capital Increase, the Company's shareholding in Breton Intelligent will be diluted from 100% to approximately 68%, which will be deemed as a disposal of approximately 32% equity interest in Breton Intelligent by the Company. As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Capital Increase are not more than 5%, the aforesaid deemed disposal is not subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Pursuant to the Listing Rules, the transaction contemplated under the Capital Increase Agreement shall be aggregated with the Previous Connected Transaction. As the highest applicable percentage ratio (as defined under the Listing Rules), after aggregation, exceeds 0.1% but is less than 5%, the transaction contemplated under the Capital Increase Agreement is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from the publication of a circular and the independent shareholders' approval requirements.

At the Board meeting held to consider the Capital Increase, Mr. Chen Fangming and Ms. Yang Hui, the Directors, were deemed to have a material interest in the Capital Increase and have abstained from voting in respect of the Board resolution in relation to the Capital Increase. Save as disclosed above, none of the Directors has any material interests and is required to abstain from voting in respect of the Board resolution in relation to the Capital Increase.

GENERAL INFORMATION

The Company

The Company is a China-based provider of electric-powered engineering machinery, and is engaged in the design, development and commercialization of battery-electric engineering machinery with autonomous capabilities and provision of intelligent operation services.

Breton Investment

Breton Investment is a joint stock company with limited liability incorporated in the PRC. Breton Investment is held as to approximately 19.49% by Mr. Chen Fangming and approximately 80.51% by Shanghai Yijin Investment Management Firm (Limited Partnership) (上海易津投資管理事務所(有限合夥)) whose general partner is Mr. Chen Fangming, and its ultimate beneficial owner is Mr. Chen Fangming. The company is principally engaged in business activities including enterprise investment, venture capital investment, investment management, investment information consulting, business information consulting, and enterprise management consulting. Breton Investment has extensive experience in capital operation and management, which has strategic synergy with the Company's business directions such as intelligent mining and automation technology.

Natural-person Investors

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, all natural-person investors are the residents of the PRC and the independent third parties of the Company and its connected persons.

DEFINITIONS

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

“Board”	the board of Directors of our Company
“Breton Intelligent”	Breton (Shanghai) Intelligent Technology Co., Ltd., a wholly-owned subsidiary of the Company
“Breton Investment”	Shanghai Breton Investment Group Co., Ltd. (上海博雷頓投資集團股份公司), formerly known as Shanghai Yijin Investment Co., Ltd. (上海易津投資股份有限公司), a joint stock company with limited liability established under the laws of the PRC
“Capital Increase Agreement” or “the Agreement”	the Capital Increase Agreement dated December 2, 2025 entered into among the Company, Breton Intelligent (a wholly-owned subsidiary of the Company), Breton Investment, Mr. Bai Furu (白富儒), Mr. Cui Hongyang (崔弘揚) and Mr. Huang Haike (黃海科)
“Capital Increase”	Pursuant to the Capital Increase Agreement, the Company shall contribute RMB24 million, Breton Investment shall contribute RMB3 million, Mr. Cui Hongyang shall contribute RMB6 million, Mr. Huang Haike shall contribute RMB4 million, and Mr. Bai Furu shall contribute RMB3 million. They shall collectively contribute RMB40 million to increase the capital and expand the share of Breton Intelligent. Upon completion of the Capital Increase, the registered capital of Breton Intelligent will increase from RMB10 million to RMB50 million

“Company”	Breton Technology Co., Ltd. (博雷頓科技股份公同), a limited liability company established under the laws of the PRC on November 28, 2016 and converted into a joint stock company with limited liability on November 23, 2022, its H shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 1333)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“natural-person investors”	individually or collectively refers to Mr. Bai Furu, Mr. Cui Hongyang, and Mr. Huang Haike
“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 People’s Republic of China and Taiwan
“Previous Connected Transaction”	the transaction contemplated under the capital increase agreement dated June 4, 2025 entered into among the Company, Baipin (Shanghai) Intelligent Technology Co., Ltd., a wholly-owned subsidiary of the Company and Breton Investment, formerly known as Shanghai Yijin Investment Co., Ltd. (上海易津投資股份有限公司), please see the announcement of the Company dated June 4, 2025 for further details
“Prospectus”	the prospectus of the Company dated April 25, 2025

By order of the Board
Breton Technology Co., Ltd.
Mr. Chen Fangming
Chairman, General Manager and Executive Director

Hong Kong, December 2, 2025

As at the date of this announcement, the Directors are (i) Mr. Chen Fangming, Dr. Qiu Debo, Mr. Sun Kanghua and Ms. Yang Hui as executive Directors; (ii) Mr. Cao Haiyi and Mr. Wang Zhenkun as non-executive Directors; and (iii) Mr. Zhou Yuan, Dr. Li Xiaofu, Dr. Jiang Bailing and Mr. YIM, Chi Hung Henry as independent non-executive Directors.