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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)

CLARIFICATION ANNOUNCEMENT

IN RELATION TO THE ANNOUNCEMENT DATED 16 JANUARY 2026

Reference is made to the announcement (the “Announcement”) of Transtech Optelecom Science Holdings Limited (the “Company”) published by the Company on 16 January 2026 regarding the Framework Purchase Agreement. Capitalised terms used in this clarification announcement shall have the same meaning as those defined in the Announcement, unless otherwise stated herein.

FRAMEWORK PURCHASE AGREEMENT

The Board of directors of the Company wishes to clarify that the transactions contemplated thereunder the Framework Purchase Agreement are in nature of continuing connected transactions rather than connected transactions because it is a framework agreement for a series of continuing connected transactions which involve the purchase of goods to be carried out on a continuing basis over a period of time during the year ending 31 December 2026.

LISTING RULES IMPLICATIONS

As at the date of the Framework Purchase Agreement, Tianjin Yinhu is a company established in the PRC. As Tianjin Yinhu is owned more than 30% by Futong China which is one of our controlling shareholders. Hence, Tianjin Yinhu is a connected person of the Company by virtue of Rule 14A.07 of the Listing Rules.

As the highest applicable percentage ratio calculated under Rule 14.07 of the Listing Rules, in respect of the Proposed Cap under the Framework Purchase Agreement, for the year ending 31 December 2026 exceeds 0.1% but is less than 5%, the transactions contemplated thereunder shall constitute continuing connected transactions for the Company and are subject to the announcement requirement but are exempt from circular and shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTERNAL CONTROL PROCEDURES OVER THE PRICING BASIS OF THE FRAMEWORK PURCHASE AGREEMENT

The Company shall continue to implement its standard pricing policy to ensure consideration payable by the Company and the pricing basis of the transactions contemplated under the Framework Purchase Agreement are on market terms and no more favorable than those available from Independent Third Parties.

By implementing the procedures, the Company has established sufficient internal control measures to ensure the pricing basis of the continuing connected transactions will be, on market and normal commercial terms, fair and reasonable as a whole to the Company.

The Company has formulated the following internal control policies and adopted the following internal control measures:

- i. the finance manager of the finance department of the Company will closely monitor the transactions contemplated under the continuing connected transaction agreement to ensure that the transaction amount will not exceed the annual caps of the continuing connected transaction agreement. Specifically, the finance manager will be responsible for reviewing monthly records of transaction amounts, comparing the cumulative usage against the annual caps, and identifying any risk of exceeding the caps;
- ii. the purchase department of the Company will monitor the prevailing market prices and supply for optical fibers preform and collect market information and comparable transaction data from Independent Third-Party suppliers. Specifically, the relevant staff will obtain and compare at least two recent comparable transactions or quotations with Independent Third-Party suppliers for products of similar quality, specifications and quantities, as well as prevailing market information such as publicly available operator tender prices and market quotations. The purchase manager will review and approve the relevant purchase order only if the terms offered from connected parties

are no less favourable to the Group than those offered by Independent Third-Party suppliers under comparable circumstances;

- iii. the finance manager of the finance department of the Company will conduct regular random checks to review and assess whether the transactions contemplated under the continuing connected transaction agreement are conducted on normal commercial terms by reviewing the comparable transactions, quotations and market information obtained by the purchase department of the Company, in accordance with the terms set out in the continuing connected transaction agreement and whether the relevant contract terms are in the interests of the Company and the shareholders as a whole;
- iv. the Company's auditor will conduct an annual review of the transactions entered into under the continuing connected transaction agreement to ensure that the transaction amount is within the proposed annual caps and the transactions are in accordance with the terms set out in the continuing connected transaction agreement; and
- v. the Company's independent non-executive directors will review the status of the transactions contemplated under the continuing connected transaction agreement (on at least an annual basis) to ensure that the Company has complied with its internal approval process and the relevant requirements under the Listing Rules.

In case a connected party is selected by the Company to be a supplier, the Company and the connected party will from time to time enter into definitive agreement(s) setting out the detailed terms under which the connected party shall provide the goods to the Company. The agreement terms will be set out with normal commercial terms within arm's length and also no more favorable than those offered from the independent third parties.

The Board considers that the above internal control procedures adopted by the Company in respect of the transactions under the Framework Purchase Agreement are appropriate and that they will give sufficient assurance to the Shareholders that the transactions under the Framework Purchase Agreement will be appropriately monitored by the Company.

BASIS OF DETERMINATION OF THE ANNUAL CAPS

The Annual Caps for the purchase of optical fiber preforms under the Framework Purchase Agreement for the year ending 31 December 2026 were determined by the Board after principally taking into account (i) the expected total procurement volume of optical fiber preforms, which is derived from the Group's planned production volume of optical fibers

during the year ending 31 December 2026; and (ii) the expected level of market price of optical fiber preforms in 2026. A reasonable buffer was then applied to the resulting estimate to accommodate possible fluctuations in demand, production schedules and market prices, as further described below.

(a) Expected total procurement volume of optical fiber preforms

Optical fiber preforms are the principal raw material from which the Group's optical fibers are drawn, and the volume of preforms required by the Group in any given year is directly determined by its planned optical fiber production volume for that year.

(b) Expected level of market price of optical fiber preforms in 2026

The unit price applied in estimating the Annual Caps was determined by reference to the prevailing and expected market price of optical fiber preforms in 2026. In arriving at the estimated unit price, the Board has taken into account, among others:

- recent transaction prices and quotations for optical fiber preforms of comparable quality and specifications obtained by the Group from Tianjin Yinhu and from Independent Third-Party suppliers;
- publicly available market information and industry data on the pricing of optical fiber preforms and optical fibers, including the price data and the outcomes of recent procurement tenders conducted by major telecommunications operators, which the Board considers indicative of the broader supply-and-demand dynamics of the optical fiber industry chain;
- the prevailing and expected supply-and-demand conditions in the optical fiber preform market in 2026, including the price trends of optical fiber and preform , cost trends of raw material and energy, and the general level of industry capacity utilization; and
- the expected effect of general inflation and currency movements on the cost of optical fiber preforms during the year.

On the above basis, the Board expects the average unit price of optical fiber preforms procured from Tianjin Yinhu is consistent with prevailing market prices and no less favourable to the Group than the terms available from Independent Third-Party suppliers for products of similar quality, specifications and quantities.

(c) Buffer for contingencies

After applying the expected procurement volume to the expected unit price, the Board has further applied a buffer of approximately 3% to the resulting estimate. The buffer is intended to accommodate possible upward fluctuations in the Group's optical fiber production volume (and hence its preform requirement), unexpected increases in the market price of optical fiber preforms, and other contingencies such as supply-chain disruptions or temporary volume spikes, so as to provide the Group with sufficient flexibility to meet its operational needs during the year without exceeding the Annual Caps.

Having considered the above, the Board (including the independent non-executive Directors) is of the view that the Annual Caps for the purchase of optical fiber preforms under the Framework Purchase Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

This clarification announcement is supplemental to and should be read in conjunction with the Announcement. Except for those as set out in this clarification announcement above, all other information contained in the Announcement remains unchanged.

By order of the Board

Transtech Optelecom Science Holdings Limited

Mr. He Xingfu

Chairman & Executive Director

Hong Kong, 26 June 2026

As at the date of this announcement, the executive Directors of the Company are Mr. He Xingfu, Mr. Zou Liming, Mr. Ren Guodong, 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.