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LAUNCH

深圳市元征科技股份有限公司

LAUNCH TECH COMPANY LIMITED*

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

(Stock code: 2488)

ENTERING INTO A TERMINATION AGREEMENT TO TERMINATE THE ACQUISITION OF 20% EQUITY INTERESTS IN THE TARGET COMPANY

Reference is made to the announcements of Launch Tech Company Limited (the “**Company**”) dated 17 December 2021, 10 January, 31 January, 21 February, 14 March, 7 April, 5 May, 31 May, 22 June, 11 July, 2 August and 31 August 2022 in relation to the discloseable and connected transaction in respect of the Equity Transfer Agreement (together the “**Announcements**”). Capitalised terms used herein shall have the same meaning as those defined in the Announcements unless stated otherwise.

In light of the continuous impact of the epidemic, the Target Company reflected that there were delays and changes in its procurement cooperation plan with potential and current clients, which resulted in the performance of the Target Company for the period from the fourth quarter of 2021 to the first half of this year being lower than the Company's expectation. Taking into account the interests of the Group as a whole, the management of the Company believes that it is more appropriate to put the Acquisition on hold after long-term observation and obtaining the opinion of industry professionals. As such, on 8 September 2022 (after trading hours of the Stock Exchange), the Company and the Vendor entered into a termination agreement to terminate the Equity Transfer Agreement with immediate effect.

Upon such termination, all rights and obligations of the parties to the Equity Transfer Agreement shall cease to have effect and no party shall have any claim against each other in connection with the Equity Transfer Agreement. The Board considers that termination of the Equity Transfer Agreement will not have any material adverse impact on the existing business, operational or financial conditions of the Group.

Since the Equity Transfer Agreement and the Acquisition contemplated thereunder have been terminated, no SGM will be convened and held by the Company for shareholders to consider and approve the Equity Transfer Agreement and the Acquisition contemplated thereunder. Therefore, no Circular will be dispatched by the Company.

By Order of the Board
Launch Tech Company Limited*
Liu Xin
Chairman and Executive Director

8 September 2022
Shenzhen, the PRC

As at the date of this announcement, the board of directors of the Company comprises Mr. Liu Xin (Chairman), Mr. Liu Guozhu, Ms. Huang Zhao Huan and Mr. Jiang Shiwen as executive Directors, Mr. Peng Jian as non-executive Director, and Ms. Zhang Yanxiao, Mr. Lin Lichao and Mr. Bin Zhichao as independent non-executive Directors.

* For identification purpose only