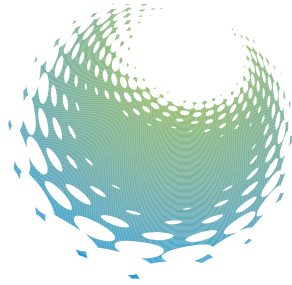


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## **Sun.King Technology Group Limited** **賽晶科技集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 580)**

### **DISCLOSEABLE TRANSACTIONS – DEEMED DISPOSAL AND POSSIBLE ACQUISITION OF EQUITY INTEREST IN SUNKING SEMICONDUCTOR**

#### **BACKGROUND**

On 27 July 2023 (after trading hours), Sunking Semiconductor and the Existing Shareholders entered into the Capital Increase Agreement with the Investors, pursuant to which the Investors shall inject the amount of the Capital Injection in the total sum of RMB160,000,000 into Sunking Semiconductor. Upon the completion of the Capital Increase Agreement, the registered capital of Sunking Semiconductor will increase from USD40,027,017 to USD42,528,706, the aggregate equity interest in Sunking Semiconductor held by the Investors will be approximately 5.88% and the equity interest in Sunking Semiconductor indirectly held by the Company will be approximately 70.53%. The change in the shareholding structure of Sunking Semiconductor will not affect the Company's control over it. Sunking Semiconductor will continue to be a subsidiary of the Company following the Capital Injection.

On 27 July 2023 (after trading hours), Sunking Pacific and the Investors entered into the Repurchase Agreement, pursuant to which an option has been granted to the Investors such that the Investors shall have the right to request Sunking Pacific to repurchase the equity interest in Sunking Semiconductor held by the Investors for the repurchase price upon occurrence of certain events.

## **LISTING RULES IMPLICATIONS**

### **Deemed disposal by way of the Capital Injection as contemplated under the Capital Increase Agreement**

The Capital Injection will result in a reduction in the percentage of equity interest indirectly held by the Company in Sunking Semiconductor from approximately 74.95% to approximately 70.53%, therefore constitutes a deemed disposal pursuant to Rule 14.29 of the Listing Rules. As one or more applicable percentage ratios of the Capital Injection as defined in Rule 14.07 of the Listing Rules is or are higher than 5% but all applicable percentage ratios are less than 25%, the transactions contemplated under the Capital Increase Agreement constitute discloseable transactions of the Company and will be subject to reporting and announcement requirements of Chapter 14 of the Listing Rules.

### **Possible acquisition by way of repurchase of equity interest in Sunking Semiconductor as contemplated under the Repurchase Agreement**

Pursuant to Rule 14.74 of the Listing Rules, the grant of the option to the Investors to request Sunking Pacific to repurchase the equity interest in Sunking Semiconductor will be classified as if such option had been exercised. As one or more applicable percentage ratios of the aforesaid possible repurchase as defined in Rule 14.07 of the Listing Rules is or are higher than 5% but all applicable percentage ratios are less than 25%, the transactions contemplated under the Repurchase Agreement constitute discloseable transactions of the Company and will be subject to reporting and announcement requirements of Chapter 14 of the Listing Rules.

## **BACKGROUND**

On 27 July 2023 (after trading hours), Sunking Semiconductor and the Existing Shareholders entered into the Capital Increase Agreement with the Investors, pursuant to which the Investors shall inject the amount of the Capital Injection in the total sum of RMB160,000,000 into Sunking Semiconductor. Upon the completion of the Capital Increase Agreement, the registered capital of Sunking Semiconductor will increase from USD40,027,017 to USD42,528,706, the aggregate equity interest in Sunking Semiconductor held by the Investors will be approximately 5.88% and the equity interest in Sunking Semiconductor indirectly held by the Company will be approximately 70.53%. The change in the shareholding structure of Sunking Semiconductor will not affect the Company's control over it. Sunking Semiconductor will continue to be a subsidiary of the Company following the Capital Injection.

On 27 July 2023 (after trading hours), Sunking Pacific and the Investors entered into the Repurchase Agreement, pursuant to which an option has been granted to the Investors such that the Investors shall have the right to request Sunking Pacific to repurchase the equity interest in Sunking Semiconductor held by the Investors for the repurchase price upon occurrence of certain events.

# THE CAPITAL INCREASE AGREEMENT

## Date

27 July 2023 (after trading hours)

## Parties

- (a) Sunking Semiconductor
- (b) the Existing Shareholders
- (c) the Investors

## The Capital Injection

Pursuant to the Capital Increase Agreement, Tianjin Anjing Business Management Consultation Partnership (Limited Partnership)\* (天津安晶企業管理諮詢合夥企業(有限合夥)) shall inject the amount of the Capital Injection of RMB50,000,000 into Sunking Semiconductor (among which USD781,778 shall be allocated to the additional registered capital of Sunking Semiconductor and the remaining amount shall be allocated to the capital reserves of Sunking Semiconductor), in return for approximately 1.84% of the enlarged equity interest in Sunking Semiconductor.

Pursuant to the Capital Increase Agreement, Wuxi Hechuang Runyu Venture Capital Partnership (Limited Partnership)\* (無錫河床潤玉創業投資合夥企業(有限合夥)) shall inject the amount of the Capital Injection of RMB45,000,000 into Sunking Semiconductor (among which USD703,600 shall be allocated to the additional registered capital of Sunking Semiconductor and the remaining amount shall be allocated to the capital reserves of Sunking Semiconductor), in return for approximately 1.65% of the enlarged equity interest in Sunking Semiconductor.

Pursuant to the Capital Increase Agreement, Wuxi Hechuang Haoyu Venture Capital Partnership (Limited Partnership)\* (無錫河床皓玉創業投資合夥企業(有限合夥)) shall inject the amount of the Capital Injection of RMB55,000,000 into Sunking Semiconductor (among which USD859,955 shall be allocated to the additional registered capital of Sunking Semiconductor and the remaining amount shall be allocated to the capital reserves of Sunking Semiconductor), in return for approximately 2.02% of the enlarged equity interest in Sunking Semiconductor.

Pursuant to the Capital Increase Agreement, Suzhou Yahe Xingheng Venture Capital Partnership (Limited Partnership)\* (蘇州亞禾星恆創業投資合夥企業(有限合夥)) shall inject the amount of the Capital Injection of RMB10,000,000 into Sunking Semiconductor (among which USD156,356 shall be allocated to the additional registered capital of Sunking Semiconductor and the remaining amount shall be allocated to the capital reserves of Sunking Semiconductor), in return for approximately 0.37% of the enlarged equity interest in Sunking Semiconductor.

Immediately prior to the completion of the Capital Increase Agreement, the equity interest in Sunking Semiconductor indirectly held by the Company is approximately 74.95%. Upon the completion of the Capital Increase Agreement, the equity interest in Sunking Semiconductor indirectly held by the Company will be reduced to approximately 70.53%.

### **Basis for determination of the amount of the Capital Injection**

The amount of the Capital Injection was determined after negotiation between the parties base on the principles of willingness, equality and fairness having taken into account commercial factors such as the market position of Sunking Semiconductor, the Investors' assessment of the prospect of Sunking Semiconductor and the expected synergy between Sunking Semiconductor and the Investors.

### **Payment of the amount of the Capital Injection**

The Investors shall make payment of the amount of the Capital Injection into the designated bank account of Sunking Semiconductor within 20 working days from the date on which the following conditions are fulfilled:

- (a) the due diligence on Sunking Semiconductor being completed to the satisfaction of the Investors with the cooperation of Sunking Semiconductor;
- (b) the Transactional Documents being duly executed and delivered by Sunking Semiconductor, the Existing Shareholders and the Investors;
- (c) the confirmation of fulfilment or waiver of the following conditions precedents being delivered to the Investors:
  - (i) all the Transactional Documents having been duly executed and the execution and the performance of the Transactional Documents not causing the Investors and Sunking Semiconductor to breach any applicable law;
  - (ii) all necessary approvals and consents in relation to the Capital Injection having been obtained by Sunking Semiconductor from government authorities and third parties (where required) and the execution and the performance of the Transactional Documents not causing Sunking Semiconductor to breach any applicable law of the PRC;
  - (iii) there being no judgment, ruling or order from PRC laws, courts or arbitration institutions which restrict, prohibit or cancel the Capital Injection; and there being no unresolved or potential litigation, arbitration, judgment, ruling or order which has or may have material adverse effect on the Capital Injection;

- (iv) there being no material adverse change to aspects such as commercial, technological, legal and financial of the Sunking Semiconductor Group and the Existing Shareholders from the execution until the completion of the Capital Increase Agreement; and there having been no single or combined event or events which has/have any material adverse effect on the Sunking Semiconductor Group, and that being reasonable to expect that there is/are no single or combined event or events which has/have any material adverse effect on the Sunking Semiconductor Group;
- (v) the representations and the warranties of the Sunking Semiconductor Group and the Existing Shareholders in the Transactional Documents being true, accurate, complete and not misleading, and remaining true and valid;
- (vi) Sunking Semiconductor and the Existing Shareholders having fulfilled the obligations to be completed prior to the completion of the Capital Increase Agreement as set out in the Transactional Documents;
- (vii) the governing body of Sunking Semiconductor (including shareholders' meetings and board meetings) having approved the Capital Injection; and the Existing Shareholders having waived the right of first refusal to subscribe for the additional registered capital of Sunking Semiconductor in writing;
- (viii) the core team members of the Sunking Semiconductor Group having executed labour contracts, non-competition contracts, confidentiality contracts and intellectual property protection contracts in substance and form satisfactory to the Investors; and
- (ix) the Investors having obtained the approval for the transactions contemplated under the Capital Increase Agreement from their respective investment governing bodies.

### **Intended application of the proceeds of the Capital Injection**

Unless with the prior written consent of the Investors, the proceeds of the Capital Injection are intended to be fully applied to the development of the principal business of Sunking Semiconductor or other purposes recognised by the Investors.

### **Completion**

The date on which the Investors pay their respective amounts of the Capital Injection in full into the designated bank account of Sunking Semiconductor shall be their respective dates of completion of the Capital Increase Agreement. Each of the Investors will become a shareholder of Sunking Semiconductor from their respective dates of completion of the Capital Increase Agreement.

Sunking Semiconductor shall complete the registration of the change in its registered capital and shareholding structure with the relevant government authorities within one month after all of the Investors pay their respective amounts of the Capital Injection in full into the designated bank account of Sunking Semiconductor.

# THE REPURCHASE AGREEMENT

## Date

27 July 2023 (after trading hours)

## Parties

- (a) Sunking Pacific
- (b) the Investors

## The possible repurchase

Pursuant to the Repurchase Agreement, an option has been granted to the Investors such that the Investors shall have the right to request Sunking Pacific to repurchase the equity interest in Sunking Semiconductor held by the Investors for the repurchase price upon occurrence of certain events. No premium is payable by the Investors for the aforesaid option.

The events the occurrence of any one of which would entitle the Investors to exercise the aforesaid option are as follows:

- (a) Sunking Semiconductor being unable to complete a qualified listing within four years of the execution of the Capital Increase Agreement;
- (b) the relevant stock exchange(s) ceasing the vetting of the listing application of Sunking Semiconductor; or
- (c) Sunking Semiconductor or Xiang Jie being subject to criminal investigation or criminally liable, or seriously breaching the representations, the warranties, the undertakings and the obligations in the Transactional Documents,

whichever is earlier.

The repurchase price of the aforesaid possible repurchase shall be calculated as follows:

Repurchase price = The amount of the Capital Injection injected by the relevant Investor into Sunking Semiconductor x  $(1 + 5.5\% \times N/365)$  + any declared but unpaid dividend

“N” refers to the number of days between the day on which the amount of the Capital Injection was injected by the relevant Investor into Sunking Semiconductor and the day on which the relevant Investor receives the repurchase price in full.

## SHAREHOLDING STRUCTURE OF SUNKING SEMICONDUCTOR

The shareholding structure of Sunking Semiconductor as at the date of this announcement and immediately after the completion of the Capital Increase Agreement are as follows:

| Shareholders                                                                                               | As at the date of<br>this announcement |                                 | Immediately after the<br>completion of the Capital<br>Increase Agreement |                                 |
|------------------------------------------------------------------------------------------------------------|----------------------------------------|---------------------------------|--------------------------------------------------------------------------|---------------------------------|
|                                                                                                            | Capital<br>contribution<br>(USD '000)  | Shareholding<br>(approximately) | Capital<br>contribution<br>(USD '000)                                    | Shareholding<br>(approximately) |
| Sunking Pacific                                                                                            | 30,000.000                             | 74.95%                          | 30,000.000                                                               | 70.53%                          |
| Jiashan Sairuikang Business<br>Management Partnership (Limited<br>Partnership)* (嘉興賽瑞康企業管理<br>合夥企業(有限合夥))  | 3,100.000                              | 7.75%                           | 3,100.000                                                                | 7.29%                           |
| Jiashan Siweishi Business Management<br>Partnership (Limited Partnership)*<br>(嘉興斯威仕企業管理合夥企業(有<br>限合夥))    | 2,960.000                              | 7.39%                           | 2,960.000                                                                | 6.96%                           |
| Jiashan Benzhi Business Management<br>Partnership (Limited Partnership)*<br>(嘉興本知企業管理合夥企業(有限<br>合夥))       | 1,685.000                              | 4.21%                           | 1,685.000                                                                | 3.96%                           |
| Jiashan Puruisaisi Business<br>Management Partnership (Limited<br>Partnership)* (嘉興普瑞賽斯企業管<br>理合夥企業(有限合夥)) | 304.400                                | 0.76%                           | 304.400                                                                  | 0.72%                           |
| Jiashan Yaojujing Business<br>Management Partnership (Limited<br>Partnership)* (嘉興耀巨晶企業管理<br>合夥企業(有限合夥))   | 197.857                                | 0.49%                           | 197.857                                                                  | 0.47%                           |
| Jiashan Ruifan Business Management<br>Partnership (Limited Partnership)*<br>(嘉興瑞繁企業管理合夥企業(有限<br>合夥))       | 219.735                                | 0.55%                           | 219.735                                                                  | 0.52%                           |
| TBEA Technology Investment Co.,<br>Ltd.* (特變電工科技投資有限公司)                                                    | 380.494                                | 0.95%                           | 380.494                                                                  | 0.89%                           |
| Wuxi Zeyu Venture Capital<br>Partnership (Limited Partnership)*<br>(無錫澤玉創業投資合夥企業(有限<br>合夥))                | 190.247                                | 0.48%                           | 190.247                                                                  | 0.45%                           |



| Shareholders                                                                                                        | As at the date of<br>this announcement |                                 | Immediately after the<br>completion of the Capital<br>Increase Agreement |                                 |
|---------------------------------------------------------------------------------------------------------------------|----------------------------------------|---------------------------------|--------------------------------------------------------------------------|---------------------------------|
|                                                                                                                     | Capital<br>contribution<br>(USD '000)  | Shareholding<br>(approximately) | Capital<br>contribution<br>(USD '000)                                    | Shareholding<br>(approximately) |
| Wuxi Zeyu II Venture Capital<br>Partnership (Limited Partnership)*<br>(無錫澤玉二期創業投資合夥企業<br>(有限合夥))                    | 989.284                                | 2.47%                           | 989.284                                                                  | 2.33%                           |
| Tianjin Anjing Business Management<br>Consultation Partnership (Limited<br>Partnership)* (天津安晶企業管理諮<br>詢合夥企業(有限合夥)) | —                                      | —                               | 781.778                                                                  | 1.84%                           |
| Wuxi Hechuang Runyu Venture<br>Capital Partnership (Limited<br>Partnership)* (無錫河床潤玉創業投<br>資合夥企業(有限合夥))             | —                                      | —                               | 703.600                                                                  | 1.65%                           |
| Wuxi Hechuang Haoyu Venture<br>Capital Partnership (Limited<br>Partnership)* (無錫河床皓玉創業投<br>資合夥企業(有限合夥))             | —                                      | —                               | 859.955                                                                  | 2.02%                           |
| Suzhou Yahe Xingheng Venture<br>Capital Partnership (Limited<br>Partnership)* (蘇州亞禾星恆創業投<br>資合夥企業(有限合夥))            | —                                      | —                               | 156.356                                                                  | 0.37%                           |
| <b>Total</b>                                                                                                        | <b>40,027.017</b>                      | <b>100.00%</b>                  | <b>42,528.706</b>                                                        | <b>100.00%</b>                  |

## FINANCIAL EFFECTS OF THE CAPITAL INJECTION

Upon the completion of the Capital Increase Agreement, the registered capital of Sunking Semiconductor will be increased from USD40,027,017 to USD42,528,706, the capital reserves of Sunking Semiconductor will be increased by approximately USD19,875,620, the aggregate equity interest in Sunking Semiconductor held by the Investors will be approximately 5.88% and the equity interest in Sunking Semiconductor indirectly held by the Company will be reduced from approximately 74.95% to approximately 70.53%. The change in the shareholding structure of Sunking Semiconductor will not affect the Company's control over it. Sunking Semiconductor will continue to be a subsidiary of the Company following the Capital Injection. Therefore, the financial results of Sunking Semiconductor will continue to be consolidated into the financial statements of the Group.



The Capital Injection is expected to be recorded as an equity transaction in accordance with the Hong Kong Financial Reporting Standards and the accounting policies of the Group. The Directors does not expect to recognise any gain or loss from the transactions contemplated under the Capital Increase Agreement. The Shareholders and the potential investors of the Company should note that the actual amount of gain or loss from the Capital Injection to be recorded by the Company, if any, will be subject to review by the auditor of the Company.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE CAPITAL INCREASE AGREEMENT AND THE REPURCHASE AGREEMENT**

Since its establishment in 2019, Sunking Semiconductor has been engaged in the IGBT Business. As the manufacture of the aforesaid products requires substantial amount of capital contribution and thereby increasing the expense of the IGBT Business, the Directors consider that the Capital Injection will alleviate the funding pressure of the Company and is in the interests of the Company and its shareholders as a whole. The Capital Injection enables Sunking Semiconductor to raise the capital required to finance its future expansion without reliance on the Company, thereby reducing debt ratio and operating costs.

The Directors believe that the terms of the transactions contemplated under the Capital Increase Agreement and the Repurchase Agreement are on normal commercial terms or better, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE GROUP**

The Group is mainly engaged in manufacture and trading of power electronic components.

## **INFORMATION ON SUNKING SEMICONDUCTOR**

Sunking Semiconductor is a limited liability company incorporated in the PRC and an indirect non-wholly-owned subsidiary of the Company. The shareholding structure of such company as at the date of this announcement is set out in the paragraph headed “Shareholding Structure of Sunking Semiconductor” above.

Sunking Semiconductor is mainly engaged in the IGBT Business.

Set out below is a summary of certain financial information of Sunking Semiconductor for the years and as at the dates indicated:

|                                          | <b>For the year ended</b>            |                                      |
|------------------------------------------|--------------------------------------|--------------------------------------|
|                                          | <b>31 December</b>                   |                                      |
|                                          | <b>2021</b>                          | <b>2022</b>                          |
|                                          | <i>RMB'000</i><br><i>(unaudited)</i> | <i>RMB'000</i><br><i>(unaudited)</i> |
| <b>Net profit/(loss) before taxation</b> | (48,653)                             | (43,932)                             |
| <b>Net profit/(loss) after taxation</b>  | (48,659)                             | (43,938)                             |
|                                          |                                      |                                      |
|                                          | <b>As at 31 December</b>             |                                      |
|                                          | <b>2021</b>                          | <b>2022</b>                          |
|                                          | <i>RMB'000</i>                       | <i>RMB'000</i>                       |
|                                          | <i>(unaudited)</i>                   | <i>(unaudited)</i>                   |
| <b>Net assets</b>                        | 151,908                              | 210,217                              |

## **INFORMATION ON THE PARTIES TO THE CAPITAL INCREASE AGREEMENT AND THE REPURCHASE AGREEMENT**

### **The Existing Shareholders**

#### ***Sunking Pacific***

Sunking Pacific is a limited liability company incorporated in Hong Kong. As at the date of this announcement, such company is indirectly wholly-owned by the Company.

Sunking Pacific is an investment holding company and is holding the equity interest in Sunking Semiconductor for the Company.

#### ***Jiashan Sairuikang Business Management Partnership (Limited Partnership)\* (嘉興賽瑞康企業管理合夥企業(有限合夥))***

Jiashan Sairuikang Business Management Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned as to approximately 11.02% by Sci-Tech International (Hong Kong) Limited (創科國際(香港)有限公司), which is a company wholly-owned by Xiang Jie, approximately 10.02% by Gong Renyuan, approximately 6.01% by Yue Zhoumin, approximately 5.01% by Ren Jie and approximately 67.94% by 30 employees or consultants of the Group, among which Sci-Tech International (Hong Kong) Limited is the general partner. Xiang Jie, Gong Renyuan and Yue Zhoumin are Directors and Ren Jie is the spouse of Gong Renyuan.

Jiashan Sairuikang Business Management Partnership (Limited Partnership)\* is mainly engaged in the business of business management.

***Jiashan Siweishi Business Management Partnership (Limited Partnership)\* (嘉興斯威仕企業管理合夥企業(有限合夥))***

Jiashan Siweishi Business Management Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned as to approximately 26.08% by Sci-Tech International (Hong Kong) Limited (創科國際(香港)有限公司), which is a company wholly-owned by Xiang Jie, approximately 3.13% by Zhao Zili (邵子力) and approximately 70.79% by Jiashan Huaxin Business Management Partnership (Limited Partnership)\* (嘉興華芯企業管理合夥企業(有限合夥)), which is owned by 35 employees or consultants of the Group, among which Sci-Tech International (Hong Kong) Limited is the general partner. Xiang Jie is a Director and Zhao Zili is a consultant of the Group.

Jiashan Siweishi Business Management Partnership (Limited Partnership)\* is mainly engaged in the business of business management.

***Jiashan Benzhi Business Management Partnership (Limited Partnership)\* (嘉興本知企業管理合夥企業(有限合夥))***

Jiashan Benzhi Business Management Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned as to approximately 35.61% by Roland Villiger, approximately 20.77% by Michael Simon Geissmann and approximately 43.62% by four employees of SwissSEM Technologies AG (which is a subsidiary of Sunking Semiconductor), namely Toker Chantal, Mattias Sven, Schnell Raffael and Ju Yanrui, among which Mattias Sven is the general partner. Roland Villiger and Michael Simon Geissmann are directors of SwissSEM Technologies AG.

Jiashan Benzhi Business Management Partnership (Limited Partnership)\* is mainly engaged in the business of business management.

***Jiashan Puruisaisi Business Management Partnership (Limited Partnership)\* (嘉興普瑞賽斯企業管理合夥企業(有限合夥))***

Jiashan Puruisaisi Business Management Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned as to approximately 88.00% by Zhang Qiang (張強) and approximately 12.00% by Teng Yangyang (滕楊楊), among which Zhang Qiang is the general partner. Both Zhang Qiang and Teng Yangyang are employees of the Group.

Jiashan Puruisaisi Business Management Partnership (Limited Partnership)\* is mainly engaged in the business of business management.

***Jiashan Yaojujing Business Management Partnership (Limited Partnership)\* (嘉興耀巨晶企業管理合夥企業(有限合夥))***

Jiashan Yaojujing Business Management Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned by 38 employees of the Group, among which Zhao Yanjun (趙彥軍) is the general partner.

Jiashan Yaojujing Business Management Partnership (Limited Partnership)\* is mainly engaged in the business of business management.

***Jiashan Ruifan Business Management Partnership (Limited Partnership)\* (嘉興瑞繁企業管理合夥企業(有限合夥))***

Jiashan Ruifan Business Management Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned by 34 employees of the Group, among which Hu Yingying (胡瑩瑩) is the general partner.

Jiashan Ruifan Business Management Partnership (Limited Partnership)\* is mainly engaged in the business of business management.

***TBEA Technology Investment Co., Ltd.\* (特變電工科技投資有限公司)***

TBEA Technology Investment Co., Ltd.\* is a limited liability company established in the PRC. As at the date of this announcement, such company is wholly-owned by TBEA Co., Ltd.\* (特變電工股份有限公司).

TBEA Technology Investment Co., Ltd.\* is mainly engaged in investments.

**Wuxi Zeyu Venture Capital Partnership (Limited Partnership)\* (無錫澤玉創業投資合夥企業(有限合夥))**

Wuxi Zeyu Venture Capital Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned by 14 individuals or entities as follows:

| <b>Name</b>                                                                     | <b>Ownership<br/>(approximately)</b> |
|---------------------------------------------------------------------------------|--------------------------------------|
| Yang Zhifan (楊智帆)                                                               | 8.33%                                |
| Li Bingshan (李冰山)                                                               | 5.00%                                |
| Zhang Yun (張雲)                                                                  | 3.33%                                |
| Zhou Sai (周賽)                                                                   | 3.33%                                |
| Zhang Ran (章然)                                                                  | 5.00%                                |
| Ceng Kui (曾揆)                                                                   | 8.33%                                |
| Huang Xin (黃昕)                                                                  | 5.00%                                |
| Zhao Xia (趙霞)                                                                   | 0.50%                                |
| Wang Yuhui (王玉輝)                                                                | 8.33%                                |
| Zhang Deyou (張德友)                                                               | 8.33%                                |
| Zhou Qiulan (周秋蘭)                                                               | 2.83%                                |
| Zhao Jiyong (趙繼勇)                                                               | 8.33%                                |
| Shenzhen City Hechuang Yucheng Asset Management Co., Ltd.*<br>(深圳市河床玉成資產管理有限公司) | 0.02%                                |
| Shenzhen City Shouyu Investment Co., Ltd.* (深圳市授羽投資有限公司)                        | 33.33%                               |
| <b>Total:</b>                                                                   | <b>100.00%</b>                       |

among which Shenzhen City Hechuang Yucheng Asset Management Co., Ltd.\* is the general partner.

Wuxi Zeyu Venture Capital Partnership (Limited Partnership)\* is mainly engaged in the business of venture capital investments.

**Wuxi Zeyu II Venture Capital Partnership (Limited Partnership)\* (無錫澤玉二期創業投資合夥企業(有限合夥))**

Wuxi Zeyu II Venture Capital Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned by 23 individuals or entity as follows:

| <b>Name</b>                                                                     | <b>Ownership<br/>(approximately)</b> |
|---------------------------------------------------------------------------------|--------------------------------------|
| Chou Yicui (仇亦璿)                                                                | 1.71%                                |
| Chen Ying (陳滢)                                                                  | 3.41%                                |
| Zhao Xiang (趙湘)                                                                 | 3.41%                                |
| Zhou Yicheng (周逸誠)                                                              | 3.41%                                |
| Han Lidan (韓麗丹)                                                                 | 3.41%                                |
| Yang Jian (楊劍)                                                                  | 3.41%                                |
| Wang Sumei (王素梅)                                                                | 5.12%                                |
| Xie Yongfei (謝詠飛)                                                               | 13.65%                               |
| Wang Wei (王瑋)                                                                   | 8.53%                                |
| Wang Juan (王娟)                                                                  | 3.41%                                |
| Fan Yifan (樊一凡)                                                                 | 1.71%                                |
| Qiu Zhengwei (邱正威)                                                              | 8.53%                                |
| Ren Shuo (任碩)                                                                   | 5.12%                                |
| Gao Hongmei (高鴻梅)                                                               | 8.53%                                |
| Huang Zhihong (黃志宏)                                                             | 3.41%                                |
| Liu Yu (劉宇)                                                                     | 3.41%                                |
| Qin Lichen (秦厲陳)                                                                | 3.41%                                |
| Zhang Hao (張皓)                                                                  | 4.27%                                |
| Wang Yuanyuan (王媛媛)                                                             | 3.07%                                |
| Li Guobin (李國斌)                                                                 | 3.41%                                |
| Zhou Sai (周賽)                                                                   | 3.75%                                |
| Wang An (王桢)                                                                    | 1.71%                                |
| Shenzhen City Hechuang Yucheng Asset Management Co., Ltd.*<br>(深圳市河床玉成資產管理有限公司) | 0.17%                                |
| <b>Total:</b>                                                                   | <b>100.00%</b>                       |

among which Shenzhen City Hechuang Yucheng Asset Management Co., Ltd.\* is the general partner.

Wuxi Zeyu II Venture Capital Partnership (Limited Partnership)\* is mainly engaged in the business of venture capital investments.

## The Investors

### ***Tianjin Anjing Business Management Consultation Partnership (Limited Partnership)\* (天津安晶企業管理諮詢合夥企業(有限合夥))***

Tianjin Anjing Business Management Consultation Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned as to approximately 0.20% by Shenzhen Chuangan Management Consultation Co., Ltd.\* (深圳創安管理諮詢有限公司) and approximately 99.80% by Tianjian Anzhi Investment Partnership (Limited Partnership)\* (天津安智投資合夥企業(有限合夥)), among which Shenzhen Chuangan Management Consultation Co., Ltd.\* is the general partner. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Tianjin Anjing Business Management Consultation Partnership (Limited Partnership)\* and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Tianjin Anjing Business Management Consultation Partnership (Limited Partnership)\* is mainly engaged in providing business management consulting services.



***Wuxi Hechuang Runyu Venture Capital Partnership (Limited Partnership)\* (無錫河床潤玉創業投資合夥企業(有限合夥))***

Wuxi Hechuang Runyu Venture Capital Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned by 14 individuals or entities as follows:

| <b>Name</b>                                                                                             | <b>Ownership<br/>(approximately)</b> |
|---------------------------------------------------------------------------------------------------------|--------------------------------------|
| Lan Dong (藍東)                                                                                           | 6.28%                                |
| Zhou Hongtao (周洪濤)                                                                                      | 4.18%                                |
| Lin Yingying (林瑩瑩)                                                                                      | 20.92%                               |
| Li Lili (李嘸嘸)                                                                                           | 4.18%                                |
| Zhou Qiulan (周秋蘭)                                                                                       | 2.09%                                |
| Liu Wujun (劉武軍)                                                                                         | 2.09%                                |
| Tan Shengqiao (譚勝喬)                                                                                     | 2.09%                                |
| Wang An (王桉)                                                                                            | 2.09%                                |
| Ren Ping (任蘋)                                                                                           | 2.09%                                |
| Han Lidan (韓麗丹)                                                                                         | 8.37%                                |
| Lin Haojiang (林浩江)                                                                                      | 7.33%                                |
| Jinggangshan Dingrui No. 1 Investment Management Centre (Limited Partnership)*<br>(井岡山鼎睿一號投資管理中心(有限合夥)) | 16.74%                               |
| Nanning City Ruizhi Venture Capital Co., Ltd.* (南寧市瑞知創業投資有限公司)                                          | 20.92%                               |
| Shenzhen City Hechuang Yucheng Asset Management Co., Ltd.*<br>(深圳市河床玉成資產管理有限公司)                         | 0.63%                                |
| <b>Total:</b>                                                                                           | <b><u><u>100.00%</u></u></b>         |

among which Shenzhen City Hechuang Yucheng Asset Management Co., Ltd.\* is the general partner. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Wuxi Hechuang Runyu Venture Capital Partnership (Limited Partnership)\* and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Wuxi Hechuang Runyu Venture Capital Partnership (Limited Partnership)\* is mainly engaged in the business of venture capital investments.

**Wuxi Hechuang Haoyu Venture Capital Partnership (Limited Partnership)\* (無錫河床皓玉創業投資合夥企業(有限合夥))**

Wuxi Hechuang Haoyu Venture Capital Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned by 14 individuals or entities as follows:

| <b>Name</b>                                                                  | <b>Ownership<br/>(approximately)</b> |
|------------------------------------------------------------------------------|--------------------------------------|
| Zhou Yaqin (周雅琴)                                                             | 8.53%                                |
| Xu Ziyi (徐子弋)                                                                | 15.36%                               |
| Zhang Xiuzhen (張秀珍)                                                          | 8.53%                                |
| Li Huabin (李華賓)                                                              | 8.53%                                |
| Li Peng (李鵬)                                                                 | 3.41%                                |
| Luo Jian (羅健)                                                                | 12.80%                               |
| Gu Guoming (顧國明)                                                             | 8.53%                                |
| Chen Dongming (陳東明)                                                          | 8.53%                                |
| Liu Yu (劉宇)                                                                  | 8.53%                                |
| Li Dongjun (李東軍)                                                             | 3.41%                                |
| Xi Xiao Xin (奚曉昕)                                                            | 1.71%                                |
| Zhou Yin (周垠)                                                                | 8.53%                                |
| Jin Yimin(金藝敏)                                                               | 3.41%                                |
| Shenzhen City Hechuang Yucheng Asset Management Co., Ltd.* (深圳市河床玉成資產管理有限公司) | 0.19%                                |
| <b>Total:</b>                                                                | <b>100.00%</b>                       |

among which Shenzhen City Hechuang Yucheng Asset Management Co., Ltd.\* is the general partner. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Wuxi Hechuang Haoyu Venture Capital Partnership (Limited Partnership)\* and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Wuxi Hechuang Haoyu Venture Capital Partnership (Limited Partnership)\* is mainly engaged in the business of venture capital investments.

***Suzhou Yahe Xingheng Venture Capital Partnership (Limited Partnership)\* (蘇州亞禾星恆創業投資合夥企業(有限合夥))***

Suzhou Yahe Xingheng Venture Capital Partnership (Limited Partnership)\* is a limited partnership established in the PRC. As at the date of this announcement, such partnership is owned as to approximately 49.97% by Xiao Heyong (肖和勇), approximately 0.06% by Jiangsu Yahe Investment Management Co., Ltd.\* (江蘇亞禾投資管理有限公司) and approximately 49.97% by Beijing Saier Hi-Tech New Energy Technology Co., Ltd.\* (北京賽爾高科新能源技術有限公司), among which Jiangsu Yahe Investment Management Co., Ltd.\* is the general partner. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Suzhou Yahe Xingheng Venture Capital Partnership (Limited Partnership)\* and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Suzhou Yahe Xingheng Venture Capital Partnership (Limited Partnership)\* is mainly engaged in the business of venture capital investments.

**LISTING RULES IMPLICATIONS**

**Deemed disposal by way of the Capital Injection as contemplated under the Capital Increase Agreement**

The Capital Injection will result in a reduction in the percentage of equity interest indirectly held by the Company in Sunking Semiconductor from approximately 74.95% to approximately 70.53%, therefore constitutes a deemed disposal pursuant to Rule 14.29 of the Listing Rules. As one or more applicable percentage ratios of the Capital Injection as defined in Rule 14.07 of the Listing Rules is or are higher than 5% but all applicable percentage ratios are less than 25%, the transactions contemplated under the Capital Increase Agreement constitute discloseable transactions of the Company and will be subject to reporting and announcement requirements of Chapter 14 of the Listing Rules.

**Possible acquisition by way of repurchase of equity interest in Sunking Semiconductor as contemplated under the Repurchase Agreement**

Pursuant to Rule 14.74 of the Listing Rules, the grant of the option to the Investors to request Sunking Pacific to repurchase the equity interest in Sunking Semiconductor will be classified as if such option had been exercised. As one or more applicable percentage ratios of the aforesaid possible repurchase as defined in Rule 14.07 of the Listing Rules is or are higher than 5% but all applicable percentage ratios are less than 25%, the transactions contemplated under the Repurchase Agreement constitute discloseable transactions of the Company and will be subject to reporting and announcement requirements of Chapter 14 of the Listing Rules.

## DEFINITIONS

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

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Board”                      | the board of Directors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| “Capital Increase Agreement” | the capital increase agreement* (增資協議) dated 27 July 2023 and entered into by Sunking Semiconductor, the Existing Shareholders and the Investors relating to the Capital Injection                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| “Capital Injection”          | the injection of capital into Sunking Semiconductor by the Investors as contemplated under the Capital Increase Agreement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| “Company”                    | Sun.King Technology Group Limited (賽晶科技集團有限公司), which is a limited liability company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited under stock code 580                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| “connected person(s)”        | has the meaning ascribed to it under the Listing Rules                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| “Director(s)”                | the director(s) of the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| “Existing Shareholders”      | collectively, Sunking Pacific, Jiashan Sairuikang Business Management Partnership (Limited Partnership)* (嘉興賽瑞康企業管理合夥企業(有限合夥)), Jiashan Siweishi Business Management Partnership (Limited Partnership)* (嘉興斯威仕企業管理合夥企業(有限合夥)), Jiashan Benzhi Business Management Partnership (Limited Partnership)* (嘉興本知企業管理合夥企業(有限合夥)), Jiashan Puruisaisi Business Management Partnership (Limited Partnership)* (嘉興普瑞賽斯企業管理合夥企業(有限合夥)), Jiashan Yaojuling Business Management Partnership (Limited Partnership)* (嘉興耀巨晶企業管理合夥企業(有限合夥)), Jiashan Ruifan Business Management Partnership (Limited Partnership)* (嘉興瑞繁企業管理合夥企業(有限合夥)), TBEA Technology Investment Co., Ltd.* (特變電工科技投資有限公司), Wuxi Zeyu Venture Capital Partnership (Limited Partnership)* (無錫澤玉創業投資合夥企業(有限合夥)) and Wuxi Zeyu II Venture Capital Partnership (Limited Partnership)* (無錫澤玉二期創業投資合夥企業(有限合夥)), and each of them an “Existing Shareholder” |
| “Group”                      | the Company and its subsidiaries                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “IGBT(s)”                     | the insulated gate bipolar transistor(s)                                                                                                                                                                                                                                                                                                                                                                                                                 |
| “IGBT Business”               | the business of research and development, manufacture and sale of IGBTs, IGBT chips and fast recovery diode chips below certain voltage or current                                                                                                                                                                                                                                                                                                       |
| “Investors”                   | collectively, Tianjin Anjing Business Management Consultation Partnership (Limited Partnership)* (天津安晶企業管理諮詢合夥企業(有限合夥)), Wuxi Hechuang Runyu Venture Capital Partnership (Limited Partnership)* (無錫河床潤玉創業投資合夥企業(有限合夥)), Wuxi Hechuang Haoyu Venture Capital Partnership (Limited Partnership)* (無錫河床皓玉創業投資合夥企業(有限合夥)) and Suzhou Yahe Xingheng Venture Capital Partnership (Limited Partnership)* (蘇州亞禾星恆創業投資合夥企業(有限合夥)), and each of them an “Investor” |
| “Listing Rules”               | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited                                                                                                                                                                                                                                                                                                                                                                 |
| “PRC”                         | the People’s Republic of China which, for the purpose of this announcement, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan                                                                                                                                                                                                                                               |
| “Repurchase Agreement”        | the repurchase agreement* (回購協議) dated 27 July 2023 and entered into by Sunking Pacific and the Investors relating to the possible repurchase of equity interest in Sunking Semiconductor by Sunking Pacific from the Investors                                                                                                                                                                                                                          |
| “RMB”                         | Renminbi, the lawful currency of the PRC                                                                                                                                                                                                                                                                                                                                                                                                                 |
| “Shareholder(s)”              | the holder(s) of the Shares                                                                                                                                                                                                                                                                                                                                                                                                                              |
| “Sunking Pacific”             | Sunking Pacific Limited (賽晶亞太有限公司), which is a limited liability company incorporated in Hong Kong and a wholly-owned subsidiary of the Company                                                                                                                                                                                                                                                                                                          |
| “Sunking Semiconductor”       | Sunking Pacific Semiconductor Technology (Zhejiang) Co., Ltd.* (賽晶亞太半導體科技(浙江)有限公司), which is a limited liability company established in the PRC and an indirect non-wholly-owned subsidiary of the Company                                                                                                                                                                                                                                               |
| “Sunking Semiconductor Group” | Sunking Semiconductor and its subsidiaries                                                                                                                                                                                                                                                                                                                                                                                                               |

|                           |                                                                                                                                                                                                                                                                      |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Transactional Documents” | the documents relating to the Capital Injection, which include, among others, the Capital Increase Agreement, the shareholders’ agreement entered into by the Existing Shareholders and the Investors, and the new constitutional documents of Sunking Semiconductor |
| “USD”                     | United States dollars, the lawful currency of the United States                                                                                                                                                                                                      |
| “%”                       | per cent                                                                                                                                                                                                                                                             |

## EXCHANGE RATE CONVERSION

For illustrative purpose only, translation of USD into RMB in this announcement is based on the rate of USD1.00 = RMB7.15. Such conversion shall not be construed as representation that amount of such currency was or may have been converted into RMB and vice versa at such rate or any other exchange rates.

By order of the Board  
**Sun.King Technology Group Limited**  
**Xiang Jie**  
*Chairman*

Hong Kong, 27 July 2023

*As at the date of this announcement, the executive Directors are Mr. Xiang Jie, Mr. Gong Renyuan and Mr. Yue Zhoumin; the non-executive Director is Ms. Zhang Ling; and the independent non-executive Directors are Mr. Chen Shimin, Mr. Zhang Xuejun and Mr. Leung Ming Shu.*

\* *For identification purpose only*