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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)

EXPECTED IMPROVEMENT IN LOSS POSITION

This announcement is made by Transtech Optelecom Science Holdings Limited (the "**Company**"), and together with its subsidiaries, the "Group") pursuant to Rule 13.09 of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "Board") of directors (the "Directors") of the Company wishes to inform the shareholders of the Company (the "Shareholders") and its potential investors that based on the preliminary review of the Group's unaudited consolidated management accounts for the year ended 31 December 2023 (the "Current Year") and the information currently available to the Board, the Group is expected to record a loss of approximately between HK\$63 million and HK\$65 million for the year ended 31 December 2023, as compared with a loss of approximately HK\$70.8 million in the same period last year. Based on the information currently available, such expected decrease of net loss for the Group during the Current Year was mainly attributable to the net effect of the following factors: (i) less sales revenue made as a result of the weak economic situation due to the slow recovery from COVID-19 pandemic; (ii) more foreign exchange loss resulting from the fluctuation of exchange rates among Renminbi, Thai Baht, United States Dollar and Hong Kong Dollar; (iii) increase of impairment loss on deposits for purchase of raw materials, long-term prepayments and property, plant and equipment; and (iv) reversal of impairment loss on trade receivables and other receivables.

The Company is still in the process of finalizing its unaudited consolidated financial results for the Current Year. The information contained in this announcement is only based on the preliminary assessment by the Board on the unaudited consolidated management accounts of the Group for the Current Year and the information available for the time being, which have neither been reviewed by the audit committee of the Company nor audited or reviewed by the Company's auditors. The above information is subject to adjustments upon further review. Shareholders and potential investors are advised to read carefully the results announcement of the Group for the Current Year, which is expected to be published on or before 28 March 2024 in accordance with the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Transtech Optelecom Science Holdings Limited
Mr. He Xingfu
Chairman

Hong Kong, 22 March 2024

As at the date of this announcement, the executive Directors of the Company are Mr. He Xingfu, Mr. Ren Guodong, Mr. Xu Jinjie and Mr. Yin Zhou and the independent non-executive Directors of the Company are Mr. Li Wei, Mr. Leong Chew Kuan, and Mr. Lau Siu Hang.