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Nanfang Communication Holdings Limited
南方通信控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1617)

FURTHER VARIATION TO TERMS OF VERY SUBSTANTIAL DISPOSAL

References are made to (i) the circular of Nanfang Communication Holdings Limited (the "**Company**") dated 25 August 2025 (the "**Circular**"); (ii) the variation to terms announcement of the Company dated 29 September 2025; (iii) the further variation to terms announcement of the Company dated 30 September 2025; and (iv) the further variation to terms announcement of the Company dated 15 October 2025 in relation to the Disposal. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Circular and the aforementioned announcements.

On 23 October 2025, Pacific Smart, the Purchaser and Dongshan Precision entered into the fourth supplemental agreement (the "**4th Supplemental Agreement**") to further amend or supplement the Sale and Purchase Agreement for the purpose of withholding tax payment arrangements, pursuant to which:

(i) the parties confirm that the actual amount of tax payable by Pacific Smart (the "**Actual Tax Amount**") for the transactions contemplated by the Sale and Purchase Agreement (the "**Transactions**") shall be determined by the formal tax invoice to be issued by the relevant tax authority;

(ii) it is estimated that the amount of tax payable by Pacific Smart for the Transactions will be US$1,679,660.49 (the "**Estimated Tax Amount**");

(iii) within 3 business days after the signing of the 4th Supplemental Agreement, Pacific Smart shall arrange for payment in mainland China by its associated company to Dongshan Precision of an amount in RMB equivalent to the Estimated Tax Amount as a tax payment deposit (the "**Tax Payment Deposit**"). The US$ to RMB exchange rate shall be the mid-market rate announced by China Foreign Exchange Trade System as authorised by the People's Bank of China on the day of payment;

(iv) on the same day or the next business day that the Tax Payment Deposit is paid to Dongshan Precision, the Purchaser will pay the Estimated Tax Amount to Pacific Smart;

(v) the Purchaser or its designated party shall (a) submit tax return related to the tax payable by Pacific Smart for the Transactions to the relevant tax authority; and (b) be responsible for making such tax payment to the relevant tax authority;

(vi) not less than 5 business days before the date on which the Purchaser or its designated party is required by the relevant tax authority to make the payment for the tax payable by Pacific Smart for the Transactions, Pacific Smart shall pay the Actual Tax Amount to the Purchaser or its designated party outside mainland China;

(vii) within 3 business days after the Purchaser or its designated party has received the Actual Tax Amount from Pacific Smart, Dongshan Precision shall return the Tax Payment Deposit (without interest) to Pacific Smart's associated company in mainland China;

(viii) irrespective of whether the Actual Tax Amount is more than or less than the Estimated Tax Amount, Pacific Smart shall pay full amount of the Actual Tax Amount to the Purchaser or its designated party outside mainland China. Within 3 business days after Pacific Smart has paid full amount of the Actual Tax Amount to the Purchaser or its designated party outside mainland China, Dongshan Precision shall return the Tax Payment Deposit in full. In any event, the Tax Payment Deposit is the maximum amount to be returned by Dongshan Precision.

Save as amended pursuant to the 4th Supplemental Agreement, all other terms and conditions of the Sale and Purchase Agreement as amended by the Supplemental Agreement, the 2nd Supplemental Agreement and the 3rd Supplemental Agreement remain in full force and effect.

For and on behalf of the Board
Nanfang Communication Holdings Limited
Yu Rumin
Chairman

Hong Kong, 23 October 2025

As at the date of this announcement, the executive Directors are Mr. Shi Ming (chief executive officer), Ms. Yu Rumin (chairman) and Ms. Yu Ruping; the non-executive Director is Mr. Yu Jinlai; and the independent non-executive Directors are Mr. Chan Kai Wing, Mr. Liu Cheng Yi and Ms. Ju Hefeng.