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Hebei Haiwei Electronic New Material Technology Co., Ltd.

河北海偉電子新材料科技股份有限公司

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

(Stock Code: 09609)

PAST MAJOR TRANSACTION IN RELATION TO PROCUREMENT OF PRODUCTION LINE SUPPORTING EQUIPMENT AND REMEDIAL ACTIONS

The Board would like to inform the shareholders that on December 15, 2025 Zhejiang Haiwei entered into the Procurement Agreement with Kunda Machinery, pursuant to which Kunda Machinery agreed to provide the Equipment for the Company's Southern China Facility.

As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) calculated for the Procurement Agreement exceeded 25% but all the applicable percentage ratios were less than 100%, the Procurement Agreement with Kunda Machinery constituted a major transaction of the Company. Thus, the Transaction was subject to the reporting, announcement, and as applicable, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules. The Company did not comply with such requirements due to the Company's misinterpretation of the Listing Rules and it was unintentional and inadvertent. The Company has subsequently terminated the Procurement Agreement on March 27, 2026.

The Company issues this announcement disclosing the details of the Procurement Agreement in accordance with the relevant provisions of Chapter 14 of the Listing Rules in order to keep the shareholders of the Company informed. Given that the Procurement Agreement has already been terminated, the Company will not convene a general meeting to seek ex-post facto approval from the Shareholders and, accordingly, no circular will be despatched in respect of the Transaction.

Moreover, certain remedial actions as disclosed below have been and will be taken by the Company to ensure strict compliance with the Listing Rules.

THE PROCUREMENT AGREEMENT

Date: December 15, 2025

Parties: A) Zhejiang Haiwei
B) Kunda Machinery

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Kunda Machinery and its ultimate beneficial owner are independent of the Company and connected persons of the Company.

The Procurement of Production Line Supporting Equipment

Pursuant to the Procurement Agreement, Kunda Machinery agreed to provide the Equipment, which comprise of 5 sets of the main lines of the capacitor film production lines and the auxiliary supporting equipment, to Zhejiang Haiwei. Kunda Machinery also agreed to provide relevant equipment procurement and on-site commissioning and installation services.

Consideration

Pursuant to the Procurement Agreement, the consideration payable for each set of BOPP capacitor film production line supporting equipment is approximately RMB200 million, and accordingly, the aggregate consideration of the Procurement Agreement amounted to approximately RMB1 billion.

Basis of Determining the Consideration

The consideration under the Procurement Agreement with Kunda Machinery was determined after arm's length negotiations between Zhejiang Haiwei and Kunda Machinery, with reference to market prices for similar equipment, Kunda Machinery's proven track record in product delivery and comprehensive coordination services, and the scope and specifications of the equipment to be procured.

Payment Terms

Pursuant to the Procurement Agreement, Zhejiang Haiwei has agreed to make a prepayment of 18.5% of the total consideration, followed by: (i) the first instalment of 21.5%, to be paid within 60 days after the effective date of the Procurement Agreement; (ii) the second instalment of 30%, to be paid within 120 days after the effective date of the Procurement Agreement; (iii) the third instalment of 20%, to be paid prior to the dispatch of the final batch of the Equipment; and (iv) a final acceptance payment of 5%, to be paid after the assembly and debugging of all Equipment. The remaining 5% shall be retained as retention money and released upon the expiration of the 12-month warranty period commencing from the date on which all Equipment passed the acceptance inspection conducted by Zhejiang Haiwei.

REASONS FOR AND BENEFITS OF ENTERING INTO THE PROCUREMENT AGREEMENT

The Transaction constituted an integral part of the Company's production capacity enhancement strategy and the Company's plan for expanding production capacity through construction of the Southern China Facility as disclosed in the Prospectus. In light of (i) the finalization of the site selection for the Southern China Facility; (ii) the anticipated growth in market demand in the end market for ultrathin capacitor films in the coming years; (iii) the strong support of the local government; and (iv) the project loan of RMB1 billion expected to be granted by the bank, to facilitate the Company's construction of the Southern China Facility and enhance the Company's long-term core competitiveness, as approved by chairperson of the Board on December 12, 2025, Zhejiang Haiwei entered into the Procurement Agreement to facilitate the timely completion of the corresponding production capacity expansion.

The Company selected the supplier of the Equipment through invited tender. On December 12, 2025, the Company received valid bids from three qualified, independent third-party suppliers (including Kunda Machinery) with corresponding industry qualifications and service capabilities. Following a joint evaluation conducted by the CEO and the heads of relevant departments of the Company, Kunda Machinery was presented to all executive Directors and formally selected as the supplier on the same date.

The executive Directors and CEO were of the view that the provisions of the Procurement Agreement are fair and reasonable, and the Transaction with Kunda Machinery was expected to enhance the stability and reliability of the Company's equipment procurement process. As such, the Transaction was in the interests of the Company and its shareholders as a whole.

TERMINATION OF THE PROCUREMENT AGREEMENT AND SUBSEQUENT PLAN

Pursuant to the Procurement Agreement, on December 24, 2025, Zhejiang Haiwei paid Kunda Machinery RMB185 million, representing the prepayment of 18.5% of the total consideration, funded from the Group's own resources prior to the Global Offerings.

However, during the course of preparation and audit of the Company's annual results for the year ended December 31, 2025 and further review of the Listing Rules and consultation with relevant professional advisors, it became aware that the aforementioned actions were in breach of the Listing Rules and revealed deficiencies in the Company's internal controls. In response, the Company's executive directors unanimously resolved to terminate the Procurement Agreement and take prompt corrective measures. Following the rectification and standardization of the Company's internal controls, the Company will, in accordance with the Listing Rules and its Articles of Association, complete all necessary procedures before Zhejiang Haiwei entering into a new procurement agreement with Kunda Machinery (the "**New Agreement**").

Accordingly, Zhejiang Haiwei, through amicable consultation with Kunda Machinery, has terminated the Procurement Agreement on March 27, 2026, with no dispute, controversy, or outstanding liabilities between the parties in connection with the termination.

As of the date of this announcement, Zhejiang Haiwei has received a refund of RMB176 million on March 27, 2026 as part of the prepayment made under the Procurement Agreement previously. The remaining RMB9 million of the prepayment, which Kunda Machinery had already invested in the procurement of relevant equipment prior to the termination, has been agreed by Zhejiang Haiwei and Kunda Machinery to be converted into a payment for the procurement of equipment of equivalent value under the New Agreement, the detailed terms of which shall be further negotiated by the parties. The Company will comply with all applicable laws, regulations, and internal corporate governance policies, and will make timely disclosures in relation to such new procurement agreement in accordance with the requirements of the Listing Rules. The Company expects that the termination of the Procurement Agreement and the signing of the New Agreement will not have a material impact on the production capacity expansion plan of the Company's Southern China Facility.

INFORMATION ABOUT THE PARTIES

The Group

The Company is a joint stock limited liability company incorporated under the laws of the PRC, whose Shares are listed on the Main Board of The Stock Exchange. The Group are primarily engaged in the manufacturing and sale of capacitor film products in the PRC, with their principal products comprising capacitor base films and metallized films.

Zhejiang Haiwei is a limited liability company incorporated under the laws of the PRC and a wholly-owned subsidiary of the Company. Zhejiang Haiwei is principally engaged in the manufacturing of capacitor film products.

Kunda Machinery

Kunda Machinery is a limited liability company incorporated under the laws of the PRC, and is principally engaged in service-oriented procurement business, including the procurement of customer-specified equipment, as well as supplier management and coordination services related to the aforesaid procurement. As of the date of the Procurement Agreement, Kunda Machinery was wholly owned by Mr. Zhang Dongdong (張冬冬), who is not a connected person of the Company within the meaning ascribed thereto under the Listing Rules.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Transaction exceeded 25% but all the applicable percentage ratios were less than 100%, the Transaction constituted a major transaction of the Company and would be subject to the notification, announcement, circular to shareholders and shareholders' approval requirements under Chapter 14 of the Listing Rules. However, at the material time, the Company did not comply with the aforesaid requirements due to the Company's misinterpretation of the Listing Rules and it was unintentional and inadvertent (the "**Non-Compliance**").

The procurement of five sets of BOPP capacitor film production line supporting equipment for the Southern China Facility is directly related to the principal business of the Group and is intended to provide the necessary means for generating revenue. The Directors noted that the expansion of production capacity, including such a business arrangement in relation to the Southern China Facility had been previously disclosed in the Prospectus. Accordingly, the Directors considered that the Transaction was of a revenue nature and was conducted in the ordinary and usual course of business of the Group, and therefore should have been exempt from the requirements of Chapter 14 under Rule 14.04(1)(g) of the Listing Rules.

However, during the course of preparation and audit of the Company's annual results for the year ended 31 December 2025 and after its subsequent review of the Listing Rules and consultation with relevant professional advisors, the Company has become aware that the Transaction, involving the purchase and/or arrangement for construction of non-current assets, is not exempt under Rule 14.04(1)(g) of the Listing Rules.

REMEDIAL ACTIONS

The Company now issues this announcement disclosing the details of the Transaction in accordance with the relevant provisions of Chapter 14 of the Listing Rules in order to keep the shareholders of the Company informed.

Furthermore, the Company recognizes the critical importance of strict and ongoing compliance with the Listing Rules. To address the aforesaid Non-Compliance, the Company has, upon discovery of the Non-Compliance, promptly consulted its professional advisers on appropriate remedial actions and has actively implemented comprehensive measures to rectify such Non-Compliance. These measures include, among others, (i) the termination of the Transaction in a timely manner and the obtaining of substantial refund, so as to minimize the impact of the Transaction on the Company, (ii) the issuance of this announcement detailing the relevant details of and latest updates on the Transaction and the Procurement Agreement, and (iii) to conduct an internal review and to enhance the internal control and risk management system, with a view to preventing the recurrence of similar non-compliance incidents. In particular, the Company will take the following remedial measures:

Internal Review

The Company intends to form a special independent investigation team, comprising all members of audit committee, led by Mr. Yu Qing (于慶), our independent non-executive director, to initiate an internal review and self-investigation of the Group's internal control system (the "**Internal Review**"), with full consultation with the Company's legal advisor, compliance adviser and auditor and professional guidance from an internal control consultant engaged by the Company. The Internal Review shall include:

- (i) *Investigation on the Non-Compliance*: conducting interviews and discussions with the Directors and senior management involved in the decision-making and execution process of the Transaction to better understand, among others, (i) the background, details and latest status of the Transaction; (ii) the reasons for the Non-Compliance; and (iii) the involvement of relevant personnel in the Transaction and their relationship with Kunda Machinery;
- (ii) *Review of the Group's internal control and risk management system*: assessing the operational effectiveness and efficiency of the Group's risk management and internal control systems, as well as general compliance with applicable laws, regulations, and regulatory policies, with a particular focus on: (i) the compliance management of transactions subject to the Listing Rules; (ii) approval procedures for material capital expenditure;

- (iii) *Evaluation of the impact of the Non-Compliance:* engaging in discussion with the Board and board committees, senior management team and the heads of the Company's key departments on the impact of the Non-Compliance and evaluating how it may affect the Group's overall operations and business.

Enhanced Internal Control Measures

The Group will adopt enhanced internal control measures, including but not limited to:

- (i) *Establishing a special working team:* the team will be responsible for managing the Group's transactions, reviewing and maintaining transaction documentation, seeking advice from the Group's legal and internal control advisers, obtaining necessary internal approvals, and reporting identified issues to the Board and senior management;
- (ii) *Strengthening internal control procedures:* prior to the commencement of any material matter or transaction, an executive Director's confirmation will be required to confirm that the Company has consulted its professional advisers on the implications under applicable rules and regulations and has ensured compliance;
- (iii) *Maintaining checklists of key legal obligations:* these check lists shall include obligations under applicable PRC and Hong Kong securities laws, to be reviewed by the Group's legal advisers and internal control advisers; and
- (iv) *Training programs:* to arrange specialized compliance training session on the Listing Rules with the assistance of its professional consultants and will continue to conduct regular training on an ongoing basis.

DEFINITION

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

“Board”	The board of Directors
“BOPP film”	Biaxially oriented polypropylene film, which is produced by stretching polypropylene in two perpendicular directions that enhances the strength, clarity and durability of the film
“Company”	Hebei Haiwei Electronic New Material Technology Co., Ltd. (河北海偉電子新材料科技股份有限公司), a company incorporated in the PRC with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 9609)
“Directors”	The director(s) of the Company (consisting of the executive directors, non-executive director and independent non-executive directors of the Company)
“Equipment”	Five sets of BOPP film production line supporting equipment, the subject matter of the Procurement Agreement
“Global Offering”	The global offering of the Company’s shares as detailed in the prospectus of the Company dated November 20, 2025
“Group”	The Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Kunda Machinery”	Hebei Kunda Machinery Manufacturing Co., Ltd. (河北坤達機械製造有限公司), a limited liability company established on January 22, 2024 under the laws of the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“PRC”	The People’s Republic of China and for the purpose of this announcement excludes Hong Kong, Macau Special Administration Region and Taiwan
“Procurement Agreement”	The procurement agreement in relation to the procurement of BOPP film production line supporting equipment entered into between Zhejiang Haiwei and Kunda Machinery on December 15, 2025, and terminated on March 27, 2026
“Prospectus”	The prospectus of the Company dated November 20, 2025
“RMB”	Renminbi, the lawful currency of PRC
“Shareholders”	Holder(s) of the ordinary share(s) in the share capital of the Company
“Southern China Facility”	The Company’s new manufacturing facility for capacitor base films in Southern China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	The transaction contemplated under the Procurement Agreement
“Zhejiang Haiwei”	Zhejiang Haiwei Electronic New Material Co., Ltd. (浙江海偉電子新材料有限公司), a limited liability company established under the laws of the PRC on September 23, 2025 and a wholly-owned subsidiary of the Company

* *For identification purposes only*

By order of the Board
Hebei Haiwei Electronic New Material Technology Co., Ltd.
Mr. Song Wenlan
Chairman of the Board and Executive Director

Hebei, PRC, March 31, 2026

As at the date of this announcement, the Board of Directors comprises Mr. Song Wenlan, Mr. Cao Chaozhi, Mr. Sheng Zhixuan and Mr. Liu Qingbin, as executive Directors; Ms. Zhong Ying as non-executive Director; Ms. Gu Qun, Mr. Zhang Hao and Mr. Yu Qing, as independent non-executive Directors.