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Delton Technology (Guangzhou) Inc.
廣州廣合科技股份有限公司

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

(Stock code: 1989)

PROPOSED MANDATE IN RELATION TO POTENTIAL MAJOR TRANSACTION

POTENTIAL ACQUISITION AND PROPOSED MANDATE

To refine our industrial layout and meet customer needs, the Company intends to enter into the Investment Agreement with the Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone* (東莞水鄉特色發展經濟區管理委員會) and the People's Government of Machong Town, Dongguan* (東莞市麻涌鎮人民政府) in relation to the Company's plan to invest in and construct the Delton Technology Dongguan Smart Manufacturing Headquarters Project* (廣合科技東莞智造總部項目) in Machong Town, Dongguan Waterfront Economic Zone* (東莞市水鄉經濟區) with a total expected investment amount of RMB6.0 billion (land purchase price inclusive and the final amount is subject to the actual investment). The Project will be implemented by the Company or its wholly-owned subsidiary.

The Board hereby seeks the Shareholders to grant a Proposed Mandate to the Board in advance for the purpose of participating in the bid for the land use rights of the land through Tender, auction and listing for-sale process.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 14.04(10C) of the Listing Rules, as the Potential Acquisition involves the acquisition of PRC Government Land from a PRC Governmental Body (each as defined in Rule 19A.04 of the Listing Rules) through a tender, auction or listing-for-sale governed by PRC law (as defined in Rule 19A.04 of the Listing Rules), the Acquisition is regarded as a Qualified Property Acquisition.

Pursuant to Rule 14.07 of the Listing Rules, as the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Potential Acquisition exceeds 25% but is less than 100%, the Potential Acquisition constitutes a major transaction for the Company and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

IMPLICATIONS UNDER THE SHENZHEN STOCK EXCHANGE LISTING RULES

The Project has been considered and approved at the first meeting of the third session of the Board convened by the Company on 18 June 2026, pursuant to which it is agreed that the management of the Company be authorized to handle all procedures related the Project, including the signing of agreements with the local government, the listing-for-sale process, project construction and environmental impact assessment. Pursuant to the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange and the Articles of Association, the aforementioned matters are subject to consideration and approval at the EGM.

GENERAL

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in the Potential Acquisition, and no Shareholder is required to abstain from voting on the resolution(s) to approve the Potential Acquisition at the EGM.

A circular containing details of the Potential Acquisition as required under the Listing Rules is expected to be published on the HKExnews website and the Company's website on or before August 31, 2026, as additional time is required for the preparation of certain information to be included in the circular.

As the Potential Acquisition may or may not proceed to completion, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

POTENTIAL ACQUISITION AND PROPOSED MANDATE

To refine our industrial layout and meet customer needs, the Company intends to enter into the Investment Agreement with the Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone* (東莞水鄉特色發展經濟區管理委員會) and the People's Government of Machong Town, Dongguan* (東莞市麻涌鎮人民政府) in relation to the Company's plan to invest in and construct the Delton Technology Dongguan Smart Manufacturing Headquarters Project* (廣合科技東莞智造總部項目) in Machong Town, Dongguan Waterfront Economic Zone* (東莞市水鄉經濟區麻涌鎮) with a total expected investment amount of RMB6.0 billion (land purchase price inclusive and the final amount is subject to the actual investment). The Project will be implemented by the Company or its wholly-owned subsidiary.

The Board hereby seeks shareholders' prior grant of a Proposed Mandate to the Board for the purpose of participating in the bid for the land use rights of the land through tender, auction and listing for-sale process.

Potential Acquisition

1. *Summary of the Potential Acquisition*

   The Company intends to enter into the Investment Agreement regarding the Project with (i) the Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone; and (ii) the People's Government of Machong Town, Dongguan.

   The total expected investment amount for the Project is RMB6.0 billion, which will be used to fund the construction of the Delton Technology Dongguan Smart Manufacturing Headquarters Project, where the main activities include the production, manufacturing, research and development, and sales of high-end equipment printed circuit boards. Of the amount, RMB5.0 billion will be invested in fixed assets, including buildings, structures and their ancillary facilities, equipment, and land price.

   The Project involves a one-time land grant and will be developed in two phases. Phase I covers an area of approximately 200 mu, with a planned investment of RMB3.0 billion, of which RMB2.5 billion will be invested in fixed assets. The Company shall complete the total fixed asset investment for phase I within 48 months after the sign-off of the land transfer contract. Phase II covers an area of approximately 235 mu, with a planned investment of RMB3.0 billion, of which RMB2.5 billion will be invested in fixed assets. The Company undertakes that the total fixed asset investment for phase II will be completed no later than 2031.

2. *Land Use and Construction*

Under the Potential Acquisition, the transferor of the land is the Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone and the land is located in the Dongguan Waterfront Science and Technology Industrial Zone* (東莞市水鄉科創融合產業區). The usages of the land are class II industrial land (M2) and new industrial land (M0), respectively, with a total area of approximately 290,000 square meters, equivalent to approximately 435 mu (subject to the final area transferred). Of which, the M0 portion covers approximately 27 mu, and the M2 portion covers approximately 408 mu. The final land price will be determined by the trading price resulting from the tender, auction and listing for-sale process, the Contract for the Grant of State-Owned Construction Land Use Rights (《國有建設用地使用權出讓合同》), and the relevant transaction documents.

3. *Liability for Breach*

Under stable market conditions, where the Company fails to meet any of the obligations such as investment intensity, output, or fixed asset investment as agreed for the Project, the parties to the Investment Agreement will negotiate and propose solutions for achieving the investment intensity, output, and fixed asset investment. Where no agreement is reached through negotiation, the other parties may require the Company to carry out a one-year rectification. In case the standards stipulated in the Investment Agreement are still not met after the rectification period, the other parties have the right to stop providing or reclaim any benefits and incentives the Company has received from its investment in the Project. If liability for breach is provided for in other terms, the other parties shall still have the right to hold the Company liable for breach in accordance with these terms. The Company is responsible for providing evidence of the benefits of the Project, including outputs and financial contributions, and for submitting relevant data in a timely manner and ensuring data accuracy during the assessment period. Where the Company fails to cooperate with other parties in providing data on time, or provides false data, it shall bear legal responsibility accordingly, and the other parties shall have the right to directly hold the Company liable for the breach based on the data in their possession.

4. *Others*

Where the wholly-owned subsidiary established by the Company at the Project location fails to win the bid for the land use rights for the Land through the land use rights tender, auction and listing for-sale process organized by the natural resources authority for the Land under the Project, the Investment Agreement shall be automatically terminated as of the date of such event, and the other parties shall not be liable to the Company or required to pay any compensation or damages in connection therewith.

In case any disputes arise during the implementation of the Investment Agreement, the parties shall first seek to resolve them through negotiation. If such negotiation fails, any party may institute legal proceedings with the People's Court at the Project location.

5. *Basis of Determination of Consideration*

The actual consideration of the Potential Acquisition will be based on the final bid the Company places for the Land during the tender, auction and listing for-sale process. When making the bid, the Company will take into account the current market conditions in nearby areas, the prevailing land prices in surrounding areas and the development potential of the Land.

Proposed Mandate

According to Article 48 of the Articles of Association of the Company, transactions of the Company that meet one of the following standards shall also be submitted to the shareholders' meeting for consideration in addition to making timely disclosures by the Company: (1) the total assets involved in the transaction accounts for more than 50% of the Company's latest audited total assets, where the total assets involved in the transaction has both a book value and an appraisal value, the higher one will be used for the calculation. The Company therefore needs to first seek shareholders' mandate for the Potential Acquisition before bidding for the Land. Once it wins the bid, the Company must obtain the land use rights of the Land in accordance with the Investment Agreement. It is thus not feasible for the Company to seek shareholders' approval for the Potential Acquisition only after obtaining the land use rights of the Land. Therefore, the Company recommends obtaining the Proposed Mandate in advance so that the Board can participate in the bidding through the tender, auction and listing for-sale process, and proceed with the Potential Acquisition.

1. *Land to be Bid for*

The Proposed Mandate will authorize the Board and give them the power to bid for the land located in Dongguan Waterfront Science and Technology Industrial Zone. The usages of the land are class II industrial land (M2) and new industrial land (M0), respectively, with a total area of approximately 290,000 square meters, equivalent to approximately 435 mu (subject to the final area transferred).

2. *Scope of the Proposed Mandate*

The Board will be authorized and empowered to, at their sole discretion, determine, decide, execute, and implement all matters in connection with the Potential Acquisition, including but not limited to (i) the bid during the tender, auction and listing for-sale process in relation to the Potential Acquisition; (ii) the timing of the Potential Acquisition; and (iii) the actual progress of the Project.

Reasons for and Benefits of Obtaining the Proposed Mandate and Proceeding with the Potential Acquisition

The Potential Acquisition aligns with the relevant national industrial policies and the strategic development layout of the Company, which is conducive to the long-term and sustainable development of the Company. It will further expand the production capacity of high-end printed circuit boards to meet the market demand of customers, enhance market competitiveness and profitability, consolidate the Company's position in the industry, and lay a solid foundation for future sustainable development of the Company, which is in the interests of the Company and its shareholders as a whole.

The Company will fund the development and operation of the Project through its internal resources, bank loans or other financing methods. The Company will make reasonable arrangements for the application of funds based on the specific circumstances such as the progress of the Project implementation. The Potential Acquisition will not have any material adverse impact on the financial position and operating results of the Company for the current year, and there is no circumstance that prejudices the interests of the Company and its shareholders as a whole.

The Directors (including the independent non-executive Directors) are of the view that although the Potential Acquisition is not conducted in the ordinary and usual course of business of the Group, the terms thereof are on normal commercial terms, and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

INFORMATION ON THE PARTIES AND THE GROUP

The Group

The Group is principally engaged in the research and development, production and sale of multilayer and high-layer-count printed circuit boards.

Administrative Committee of Dongguan Waterfront Economic Development Zone

The Administrative Committee of Dongguan Waterfront Economic Development Zone is under the Dongguan Municipal People's Government and falls within the definition of "PRC Governmental Body" under Rule 19A.04 of the Listing Rules. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Administrative Committee of Dongguan Waterfront Economic Development Zone and their respective ultimate beneficial owners are Independent Third Parties.

People's Government of Machong Town, Dongguan

The People's Government of Machong Town, Dongguan falls within the definition of "PRC Governmental Body" under Rule 19A.04 of the Listing Rules. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the People's Government of Machong Town, Dongguan and their respective ultimate beneficial owners are Independent Third Parties.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 14.04(10C) of the Listing Rules, as the Potential Acquisition involves the acquisition of PRC Government Land from a PRC Governmental Body (as defined in Rule 19A.04 of the Listing Rules) through a tender, auction or listing-for-sale process governed by PRC law (as defined in Rule 19A.04 of the Listing Rules), the Acquisition is regarded as a Qualified Property Acquisition.

Pursuant to Rule 14.07 of the Listing Rules, as the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Potential Acquisition exceeds 25% but is less than 100%, the Potential Acquisition constitutes a major transaction for the Company and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

IMPLICATIONS UNDER THE SHENZHEN STOCK EXCHANGE LISTING RULES

The Project has been considered and approved at the first meeting of the third session of the Board convened by the Company on June 18, 2026, pursuant to which it is agreed the management of the Company be authorized to handle all procedures related the Project, including the signing of agreements with the local government, the listing-for-sale process, project construction and environmental impact assessment. Pursuant to the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange and the Articles of Association of the Company, the aforementioned matters are subject to consideration and approval at the EGM.

GENERAL

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has a material interest in the Potential Acquisition, and no Shareholder is required to abstain from voting on the resolution(s) to approve the Potential Acquisition at the EGM.

A circular containing, among other things, details of the Potential Acquisition as required under the Listing Rules is expected to be published on the HKExnews website and the Company's website on or before August 31, 2026, as additional time is required for the preparation of certain information to be included in the circular.

As the Potential Acquisition may or may not proceed to completion, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

"A Shares"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which are traded in Renminbi and listed on the Shenzhen Stock Exchange
"Articles of Association"	the articles of association of the Company, as amended, supplemented, or otherwise modified from time to time
"Board"	the board of Directors of the Company
"Company"	Delton Technology (Guangzhou) Inc. (廣州廣合科技股份有限公司), a joint stock company incorporated in the PRC, the H shares and A shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1989) and the Shenzhen Stock Exchange (stock code: 001389), respectively
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be held for the purpose of approving the Potential Acquisition
"Group"	the Company and its subsidiaries
"H Share(s)"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which are traded in Hong Kong dollars as overseas-listed foreign shares and listed on the Stock Exchange
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Independent Third Party(ies)"	person(s) who, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is/are not a connected person of the Company pursuant to the Listing Rules

"Investment Agreement"	the investment agreement proposed to be entered into by the Company with (i) the Administrative Committee of Dongguan Waterfront Economic Development Zone; and (ii) the People's Government of Machong Town, Dongguan
"Land"	the land parcel described in the section headed "Potential Acquisition" of this announcement, which is located in Dongguan Waterfront Science and Technology Industrial Zone, with a total site area of approximately 290,000 square meters, offered for sale through the tender, auction and listing for-sale process
"Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (as amended from time to time)
"Tender, auction and listing for-sale process"	the public tender, auction and listing-for-sale of the Land held and offered by the Administrative Committee of Dongguan Waterfront Economic Development Zone
"Potential Acquisition"	the proposed investment in the Project by the Company, which includes the proposed bidding for the land use rights of the Land through the tender, auction and listing for-sale process
"PRC"	the People's Republic of China, which for the purpose of this announcement only, excludes the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan
"Project"	the project proposed to be invested in and constructed as the Delton Technology Dongguan Smart Manufacturing Headquarters in Machong Town, Dongguan Waterfront Economic Zone
"Proposed Mandate"	a mandate proposed to be granted by the Shareholders to the Board in advance at the EGM to proceed with the Potential Acquisition
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	the shareholder(s) of the Company

"Share(s)"	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
"%"	per cent

By order of the Board
Delton Technology (Guangzhou) Inc.
Mr. Xiao Hongxing
Chairman

Guangzhou, the PRC, June 22, 2026

As at the date of this announcement, the Board of the Company comprises Mr. Xiao Hongxing, Ms. Zeng Hong and Mr. Peng Jinghui as executive Directors; Ms. Liu Jinchan as a non-executive Director; and Ms. Chen Limei, Dr. Shi Ling and Ms. Zhang Jin as independent non-executive Directors.

* *For identification purpose only*