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WOER
沃尔核材

Shenzhen Woer Heat-Shrinkable Material Co., Ltd.
深圳市沃爾核材股份有限公司

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

(Stock Code: 9981)

DISCLOSEABLE TRANSACTION IN RELATION TO THE INVESTMENT AGREEMENT

THE INVESTMENT AGREEMENT

The Board is pleased to announce that on September 17, 2026, Shanghai Electronic, an indirect wholly-owned subsidiary of the Company, entered into the Investment Agreement with the Committee, pursuant to which Shanghai Electronic has conditionally agreed to invest in the Project and the Committee has conditionally agreed to assist Shanghai Electronic to implement the Project after Shanghai Electronic has acquired the land use right in relation to the Project through Listing-for-Sale process.

The Project is subject to the successful bidding by Shanghai Electronic of the land use right over the Land through the Listing-for-Sale process. The Project will involve the construction of a new production base on the Land, with the aim of planning to be used for the research and development, production, and sale of electronic materials such as heat-shrinkable materials and insulating sleeves for automotive wiring harnesses and tubing protection.

The total investment amount of the Project will not exceed RMB800 million. Among them, the investment in fixed assets is approximately RMB600 million, and it includes expenses related to obtaining land use rights through the Listing-for-Sale process, construction of plant and supporting facilities, and investment in production equipment. The investment amount has been estimated and determined based on the scale of the Project and anticipated construction needs, and will be financed by internal resources of Shanghai Electronic and the proceeds from the Global Offering of the Company.

LISTING RULES IMPLICATIONS

Reference is made to the announcement of the Company dated March 31, 2026, in relation to, among other things, Shanghai Keter, an indirect non-wholly owned holding subsidiary of the Company, entered into the Shanghai Keter Investment Agreement with the Committee on March 31, 2026.

As the Investment Agreement and the Shanghai Keter Investment Agreement are similar in nature and were both entered into with the Committee within a 12-month period, the transactions contemplated under the Investment Agreement and the Shanghai Keter Investment Agreement shall be aggregated pursuant to Rules 14.22 and 14.23 of the Listing Rules. As the highest applicable percentage ratio, on a standalone and/or an aggregate basis, in respect of the transactions contemplated under the Investment Agreement and the Shanghai Keter Investment Agreement, exceeds 5% but is less than 25%, the Investment Agreement and the Shanghai Keter Investment Agreement constitute disclosable transactions of the Company under Chapter 14 of the Listing Rules and are subject to the relevant reporting and announcement requirements, but exempt from the circular and Shareholders' approval requirements.

However, pursuant to the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange and the Articles of Association of the Company, the entering into of the Investment Agreement and the transactions contemplated thereunder are subject to approval by the Company's general meeting. The Investment Agreement will become effective upon approval by the Company's general meeting.

A circular containing, among other things, further details of the Investment Agreement, together with a notice of the extraordinary general meeting, will be issued as soon as practicable.

As at the date of this announcement, the terms and timetable for land purchase, equipment purchase and the construction of the production base have not yet been finalised. The Company will publish further announcement(s) in respect of the Project in due course or as required under the Listing Rules.

There is no guarantee and/or assurance that Shanghai Electronic will acquire the Land under the Listing-for-Sale. In addition, the construction of the Project is subject to the approval of relevant competent authorities in respect of project establishment, environmental protection, planning, construction and other related matters, and therefore the Investment Agreement and the Project may or may not continue to proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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The principal terms of the Investment Agreement are set out below:

Date:

September 17, 2026

Parties:

(1) Shanghai Changyuan Electronic Material Co., Ltd.

(2) Zhejiang Dushan Port Economic Development Zone Management Committee

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Committee and its ultimate beneficiaries are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

The Project

Pursuant to the Investment Agreement, Shanghai Electronic has conditionally agreed to invest in the Project. The Project is subject to the successful bidding by Shanghai Electronic of the land use right over the Land through the Listing-for-Sale process. The Project will involve the construction of a new production base on the Land, with the aim of planning to be used for the research and development, production, and sale of electronic materials such as heat-shrinkable materials and insulating sleeves for automotive wiring harnesses and tubing protection.

The Land

Pursuant to the Investment Agreement, Shanghai Electronic will acquire the land use right over the Land through Listing-for-Sale to be organised by the relevant land department. The Land refers to industrial land located within the Qingtian Enclave on the south side of Zhongshan Road and the east side of Haigang Road in the Zhejiang Dushan Port Economic Development Zone, with a site area of approximately 83 mu (畝) and a term of the land grant of 50 years. The exact size of the Land is based on the actual measurement by the relevant land department.

Investment Amount

The total investment amount of the Project will not exceed RMB800 million. Among them, the investment in fixed assets is RMB600 million. The investment amount includes but is not limited to the expenses related to obtaining land use rights through the Listing-for-Sale process, construction of plant and supporting facilities, and investment in production equipment, and is estimated and determined based on the scale of the Project, the expected price for the purchase of land and the anticipated construction needs. The investment amount will be financed by internal resources of Shanghai Electronic and the proceeds from the Global Offering of the Company. The actual investment amount and sources of funds may be adjusted depending on the progress of the Project, funding arrangements and filing and approval, among other circumstances.

Suspension

The performance of obligations shall be temporarily suspended during the period of delay caused by such force majeure if any force majeure event happens, including but not limited to earthquakes, typhoons, floods and wars, which affects a party's performance of its obligations under the Investment Agreement. The parties shall immediately consult with each other to find a fair solution and shall use all reasonable endeavours to minimize the impact of the force majeure event. The parties shall resume performance of the Investment Agreement unconditionally upon the cessation of the force majeure event.

Investment Undertakings by Shanghai Electronic

Shanghai Electronic shall develop and construct the land in accordance with the State-owned Land Use Right Grant Contract and the land use conditions, and shall not change the use or transfer the land without authorisation during the development and construction period. The buildings (structures), equipment and facilities of the Project shall be designed and constructed in a standardised manner in accordance with the requirements of the competent authorities of the State and the place where the Project is located. Shanghai Electronic will adopt advanced international and domestic production processes, equipment and technology, actively and conscientiously implement the relevant requirements on safety, energy consumption and environmental protection, and endeavour to build the Project into a production base with an advanced level in the industry.

INFORMATION ON THE GROUP AND SHANGHAI ELECTRONIC

The Group

The Group is one of the largest manufacturers of heat-shrinkable materials and telecoms cable products in the world. The principal businesses of the Group consists of: (i) electronic communications business, which involves the development, manufacture, and sale of (a) telecoms cable products, including high-speed copper cables, consumer and industrial electronic cables, and (b) electronic materials; (ii) electrical power transmission business, comprising the development, manufacture, and sale of (a) NEV power transmission products including NEV charging products and power battery safety protection products as well as (b) electrical cable accessories; and (iii) other businesses, mainly including our wind power operations.

Shanghai Electronic

Shanghai Electronic is a limited liability company incorporated in the PRC and is an indirectly wholly-owned subsidiary of the Company. Shanghai Electronic is principally engaged in the research and development, production and sale of heat-shrinkable materials and insulating sleeves for automotive wiring harnesses and tubing protection.

INFORMATION ON THE COMMITTEE

The Committee is a governmental authority in Dushan Port, Zhejiang Province, the PRC, responsible for, among other things, the administration of the Zhejiang Dushan Port Economic Development Zone.

REASONS FOR ENTERING INTO THE INVESTMENT AGREEMENT AND IMPLEMENTING THE PROJECT

Shanghai Electronic intends to invest in and construct a production base in the Zhejiang Dushan Port Economic Development Zone, with a view to achieving complementary advantages and resource sharing between the cooperating parties, and through giving full play to their respective resources and advantages, carrying out close cooperation in respect of the construction of the electronic material product production base and jointly advancing the industrial development plan. This investment and construction project will enable the Company to plan and coordinate its production capacity in advance, optimise the production capacity and allocation of production resources for electronic material products, further enhance production capacity and delivery efficiency, mitigate the operational risks arising from insufficient production capacity at its subsidiary, Shanghai Electronic, and facilitate the rational layout of the Company's overall production bases. In addition, the Shanghai Electronic's investment and construction project will help enhance the production capacity scale, improve the Company's overall profitability and market competitiveness, and lay a solid foundation for the Company's future sustainable and stable development, which is in line with the Company's long-term development strategy.

Therefore, the Directors are of the view that the terms of the Investment Agreement and the Project are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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There is no guarantee and/or assurance that Shanghai Electronic will acquire the Land under the Listing-for-Sale. In addition, the construction of the Project is subject to the approval of relevant competent authorities in respect of project establishment, environmental protection, planning, construction and other related matters, and therefore the Investment Agreement and the Project may or may not continue to proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

"Board"	the board of Directors of the Company
"Committee"	Zhejiang Dushan Port Economic Development Zone Management Committee (浙江獨山港經濟開發區管理委員會), a governmental authority in the PRC responsible for, among other things, the administration of the Dushan Port Economic Development Zone of Zhejiang Province
"Company"	Shenzhen Woer Heat-Shrinkable Material Co., Ltd. (深圳市沃爾核材股份有限公司), a joint stock limited company incorporated in the PRC, the Shares of which are listed on the SZSE (Stock Code: 002130) and Hong Kong Stock Exchange (Stock Code: 9981), respectively
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Investment Agreement"	the investment agreement entered into between Shanghai Electronic and the Committee on September 17, 2026, pursuant to which Shanghai Electronic has conditionally agreed to invest in the Project

"Land"	a piece of industrial land of approximately 83 mu (畝) intended to be provided by the Committee to Shanghai Electronic
"Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"Listing-for-Sale"	the bidding, auction or listing procedures to be conducted for the acquisition of the Land
"PRC"	the People's Republic of China, except where the content or context requires otherwise, for the purposes of this announcement only, excluding Hong Kong Special Administrative Region, Macao Special Administrative Region of the People's Republic of China and Taiwan
"Proceeds from the Global Offering"	the net proceeds from the Global Offering received by the Company following the issuance of 139,988,800 H Shares at an Offer Price of HK$20.09 per share pursuant to the Global Offering and the listing on the Hong Kong Stock Exchange on February 13, 2026
"Project"	the proposed investment by Shanghai Electronic for the investment and construction of a production base in the Zhejiang Dushan Port Economic Development Zone, which will primarily be used for the research and development, production and sale of heat-shrinkable materials and insulating sleeves for automotive wiring harnesses and tubing protection
"RMB"	Renminbi, the lawful currency of the PRC
"Shanghai Electronic"	Shanghai Changyuan Electronic Material Co., Ltd. (上海長園電子材料有限公司), a company incorporated in the PRC and a wholly-owned subsidiary of CYG Electronics (Group) Co., Ltd. (長園電子(集團)有限公司), which is a wholly-owned subsidiary of the Company
"Shanghai Keter"	Shanghai Keter New Materials Co., Ltd. (上海科特新材料股份有限公司), a company incorporated in the PRC and a subsidiary of the Company

"Shanghai Keter Investment Agreement"	the investment agreement entered into between Shanghai Keter and the Committee on March 31, 2026, details of which are set out in the announcement of the Company dated March 31, 2026
"Shareholder(s)"	the shareholder(s) of the Company
"subsidiaries"	has the meaning ascribed to it under the Listing Rules

By order of the Board
Shenzhen Woer Heat-Shrinkable Material Co., Ltd.
Mr. Zhou Heping
Executive Director and Chairman of the Board

Shenzhen, the PRC, September 17, 2026

As of the date of this announcement, the Board of the Company comprises: (i) Mr. Zhou Heping, Ms. Yi Huarong, Mr. Liu Zhanli, Mr. Xia Chunliang and Ms. Deng Yan as executive Directors; (ii) Dr. Li Wenyou as non-executive Director; and (iii) Mr. Zeng Fanyue, Ms. Dai Bingjie and Mr. Wang Dong as independent non-executive Directors.