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CHINESE PEOPLE HOLDINGS COMPANY LIMITED

中民控股有限公司

(incorporated in Bermuda with limited liability) (stock code: 681)

SUPPLEMENTAL ANNOUNCEMENT

RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS

References are made to the announcements of Chinese People Holdings Company Limited dated 21 November 2025 (the “**Announcement**”) relating to the 2026-2028 Natural Gas Supply Agreement with Shaanxi Natural Gas to renew the Existing Continuing Connected Transactions for a term of three years commencing from 1 January 2026 to 31 December 2028. Terms used herein shall have the same meanings as defined in the Announcement unless otherwise stated.

In addition to the information disclosed in the Announcement, the board of directors of the Company would like to further provide the following information of the pricing policies and the internal control procedures.

Pricing Policies:

The pricing of natural gas supply provided under the 2026-2028 Natural Gas Supply Agreement shall be determined with reference to the following principles in ascending order:

- (i) government-prescribed price: if at any time, the government prescribed price is applicable to natural gas that shall be provided at the applicable government-prescribed price, whether national or local, such as the natural gas price prescribed by the upstream gate station price and the pipeline transportation fee price;
- (ii) government-guided price: if at any time, the government-guided price is applicable to natural gas that shall be provided within the range of such government-guided price, whether national or local;
- (iii) tendering process (where applicable): where the above two price standards are not available for the natural gas and it is subject to tendering process in accordance with the applicable laws, rules and regulations (if any); and
- (iv) market price: where the above price standards are not available for the natural gas, the price of natural gas shall be determined with reference to the market price. In determining the market price, both parties shall take into consideration the following key factors:

- (a) the market prices determined in accordance with the following order: (1) the prevailing prices charged by independent third parties providing the natural gas under normal commercial circumstances in the locality where such products are provided or its surrounding regions; or (2) the prevailing prices charged by independent third parties providing the same types of products under normal commercial circumstances; and
- (b) the agreed prices based on the actual or reasonable cost incurred thereof plus a reasonable rate of return is approximately 7% (which is determined with reference to the natural and historical price of natural gas, current market price (if applicable) of the natural gas and the Group's forecasted demand and increase in the market price of natural gas in the remaining term).

Internal control procedures:

To ensure that the continuing connected transactions of the Group are on normal commercial terms or better and on terms no less favourable to the Group than those available from independent third parties, the Group has adopted the following measures to monitor the Group's continuing connected transactions on an on-going basis:

- (i) the relevant personnel of the purchasing department and finance department will monitor the transactions monthly to ensure that the actual transaction amount does not exceed the annual caps of the Group's continuing connected transactions and report to the management team of the Group;
- (ii) Prior to the implementation of 2026-2028 Natural Gas Supply Agreement, it shall be subject to the appropriate approval of the relevant personnel of the purchasing department, finance department and management of the Group to ensure that the contracts are in line with the principal terms of the master agreements in respect of the continuing connected transactions;
- (iii) the relevant personnel of the purchasing department of the Group will monthly monitor the fees charged for the continuing connected transactions to ensure that they are fair and reasonable and in accordance with the relevant pricing guidelines;
- (iv) the auditors of the Company shall conduct annual reviews on the continuing connected transactions and confirm to the Board that nothing has come to its attention that causes it to believe that such transactions (a) have not been approved by the Board; (b) were not, in all material respects, in accordance with the pricing policies provided in the transactions; (c) were not carried out, in all material respects, in accordance with the relevant agreements governing such transactions; and (d) have exceeded the applicable respective annual caps; and
- (v) the independent non-executive Directors shall review the continuing connected transactions on an annual basis and make annual confirmation in the annual report of the Company as to whether the continuing connected transactions have been entered into (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms or better terms and on terms that are fair and reasonable; (c) in accordance with the terms of the relevant agreements; and (d) are in the interests of the Company and the Shareholders as a whole.

By Order of the Board
Chinese People Holdings Company Limited
Mr. Fan Fangyi
Managing Director and Executive Director

Beijing, 9 December 2025

As at the date of this announcement, the Board comprises five Executive Directors namely, Dr. Mo Shikang (Chairman), Mr. Zhang Hesheng (Deputy Chairman), Mr. Fan Fangyi (Managing Director), Miss Mo Yunbi and Ms. Li Fun Replen, one Non-executive Director, namely, Dr. Liu Junmin, and three Independent Non-executive Directors namely, Prof. Zhao Yanyun, Mr. Cheung Chi Ming and Dr. Liu Xiaoxin.