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**中煙國際（香港）有限公司**  
**China Tobacco International (HK) Company Limited**  
*(incorporated in Hong Kong with limited liability)*  
**(Stock code: 6055)**

**CONTINUING CONNECTED TRANSACTION**  
**REVISION OF ANNUAL CAPS TO FRAMEWORK AGREEMENTS ON**  
**TOBACCO LEAF PRODUCTS EXPORT TO NEW REGIONS**

Reference is made to the Announcement in relation to the continuing connected transactions contemplated under the Framework Agreements on Tobacco Leaf Products Export to New Regions. On 27 January 2026, the Company entered into the Framework Agreements on Tobacco Leaf Products Export to New Regions with CTI North America as a relevant Seller, and would like to accordingly adjust upward the existing annual caps for the continuing connected transactions contemplated under the Framework Agreements on Tobacco Leaf Products Export to New Regions for the year ending 31 December 2026 and the period ending 26 November 2027.

Each of the Sellers, including CTI North America, is a subsidiary of CNTC. CNTC, in turn through its direct wholly-owned subsidiary, CTIG, holds approximately 72.29% of the total issued share capital of the Company as at the date of this announcement, and is the ultimate controlling shareholder of the Company. Therefore, each Seller, including CTI North America, by virtue of being an associate of CNTC, is a connected person of the Company as defined under the Listing Rules.

Pursuant to the note to Rule 14A.35 of the Listing Rules, if there is any material variation of the terms or material delay in the completion of a connected transaction, the issuer must announce this fact as soon as practicable and re-comply with other applicable provisions under the Listing Rules. As the applicable percentage ratios under the Listing Rules in respect of the highest annual cap for the procurement transactions contemplated under the Framework Agreements on Tobacco Leaf Products Export to New Regions exceed 0.1% but are all less than 5%, such transactions constitute continuing connected transactions which are subject to the reporting and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## 1. INTRODUCTION

Reference is made to the Announcement in relation to the continuing connected transactions contemplated under the Framework Agreements on Tobacco Leaf Products Export to New Regions. As disclosed in the Announcement, pursuant to the Framework Agreements on Tobacco Leaf Products Export to New Regions, the Company procures tobacco leaf products from the relevant Sellers for the Company's onward sales and export of tobacco leaf products in the Non-exclusive Operating Regions for Tobacco Leaf Products, and intends to further increase efforts in expanding its tobacco leaf products export business to the Non-exclusive Operating Regions for Tobacco Leaf Products going forward. As mentioned in the Company's interim report for the six months ended 30 June 2025, the Company has been deepening cooperation with suppliers and customers, as well as actively expanding into new markets and acquiring new customers for its tobacco leaf products export business. In view of increasing international demand for tobacco leaf products in the Non-exclusive Operating Regions for Tobacco Leaf Products, as well as the Company's continued efforts to expand the scale of its tobacco leaf products export business, on 27 January 2026, the Company entered into the Framework Agreements on Tobacco Leaf Products Export to New Regions with CTI North America as a relevant Seller, and would like to accordingly adjust upward the existing annual caps for the continuing connected transactions contemplated under the Framework Agreements on Tobacco Leaf Products Export to New Regions for the year ending 31 December 2026 and the period ending 26 November 2027.

Save for the inclusion of CTI North America as a relevant Seller under the Framework Agreements on Tobacco Leaf Products Export to New Regions and the revised annual caps, all other terms of the Framework Agreements on Tobacco Leaf Products Export to New Regions remain unchanged. For principal terms of the Framework Agreements on Tobacco Leaf Products Export to New Regions, please refer to the Announcement.

## 2. REVISED AND PROPOSED ANNUAL CAPS

### Existing annual caps

The table below sets forth the existing annual caps for the procurement of tobacco leaf products under the Framework Agreements on Tobacco Leaf Products Export to New Regions.

	Existing Annual Caps			
	For the period from	For the year ended/ ending 31 December		For the period from
	27 November 2024 to	2025	2026	1 January 2027 to
	31 December 2024	(HK\$ in million)		26 November 2027
Procurement transactions under the Framework Agreements on Tobacco Leaf Products Export to New Regions	50.89	60.94	73.13	87.76

### Historical transaction amounts

The historical amounts of the procurement of tobacco leaf products transactions under the Framework Agreements on Tobacco Leaf Products Export to New Regions for the period from 27 November 2024 to 31 December 2024 and the year ended 31 December 2025 are HK\$7.67 million and HK\$43.27 million, respectively.

Based on the information available to the Company, as at the date of this announcement, none of the existing annual caps for the continuing connected transactions contemplated under the Framework Agreements on Tobacco Leaf Products Export to New Regions has been exceeded.

## Revision of annual caps

The table below sets forth the proposed annual caps for the continuing connected transactions contemplated under the Framework Agreements on Tobacco Leaf Products Export to New Regions for the year ending 31 December 2026 and the period ending 26 November 2027.

	<b>Proposed Annual Caps</b>	
	<b>For the year ending 31 December 2026</b>	<b>For the period from 1 January 2027 to 26 November 2027</b>
	<i>(HK\$ in million)</i>	
Procurement transactions under the Framework Agreements on Tobacco Leaf Products Export to New Regions	<u>466</u>	<u>490</u>

## Basis of determination of the revised annual caps

In determining such revised annual caps, the Directors have considered the following factors:

- (1) the historical transaction amounts of the purchase of tobacco leaf products under the Framework Agreements on Tobacco Leaf Products Export to New Regions;
- (2) the expected demand for tobacco leaf products of end customers in the Non-exclusive Operating Regions for Tobacco Leaf Products, taking into account the orders currently under negotiation;
- (3) the increase in the supply of tobacco leaf products with the expansion of the Company's tobacco leaf products export business and inclusion of CTI North America as a relevant Seller;
- (4) the estimated growth of the tobacco market and an expected increase in demand of tobacco leaf products of end customers for the years ahead; and
- (5) the expected increase in unit price of tobacco leaf products.

### **3. REASONS FOR AND BENEFIT OF ENTERING INTO THE FRAMEWORK AGREEMENTS ON TOBACCO LEAF PRODUCT EXPORT TO NEW REGIONS**

The Company conducts the tobacco leaf products export business in its ordinary course of business, including (i) procurement transactions with the relevant counterparties thereof in the tobacco leaf products export business and (ii) sales transactions with independent third party customers. The Company has established a long-term and stable procurement relationship with the relevant counterparties of the procurement transactions in the tobacco leaf products export business, which are subsidiaries of CNTC and located in regions producing high-quality tobacco leaves. The suppliers that can provide such tobacco leaf products based on the requirements of potential customers for tobacco leaf products related to specific production areas and varieties of tobacco leaf products are identified as our connected persons. The entering into of the Framework Agreements on Tobacco Leaf Products Export to New Regions will ensure that the relevant counterparties undertake the obligation to supply the Company with the products necessary for the Company's operation of the tobacco leaf products export business in the long run, which is beneficial to the Company's future business expansion and brings useful and constructive supplements to the existing Southeast Asian market regions of the tobacco leaf products export business, establishing a more comprehensive and healthier customer portfolio, gaining reputation in a wider region to reach more potential purchasers, and increasing the Group's revenue by satisfying the demand for tobacco leaf products in the global market.

### **4. LISTING RULES IMPLICATIONS**

Each of the Sellers, including CTI North America, is a subsidiary of CNTC. CNTC, in turn through its direct wholly-owned subsidiary, CTIG, holds approximately 72.29% of the total issued share capital of the Company as at the date of this announcement, and is the ultimate controlling shareholder of the Company. Therefore, each Seller, including CTI North America, by virtue of being an associate of CNTC, is a connected person of the Company as defined under the Listing Rules.

Pursuant to the note to Rule 14A.35 of the Listing Rules, if there is any material variation of the terms or material delay in the completion of a connected transaction, the issuer must, announce this fact as soon as practicable and re-comply with other applicable provisions under the Listing Rules.

As the applicable percentage ratios under the Listing Rules in respect of the highest annual cap for the procurement transactions contemplated under the Framework Agreements on Tobacco Leaf Products Export to New Regions exceed 0.1% but are all less than 5%, such transactions constitute continuing connected transactions which are subject to the reporting and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Shao Yan, a non-executive Director and chairman of the Board, who also concurrently holds executive positions at CTIG, the controlling shareholder of the Company and a direct wholly-owned subsidiary of CNTC, has abstained from voting on the relevant Board resolutions to approve the Framework Agreements on Tobacco Leaf Products Export to New Regions, the transactions contemplated thereunder and the determination of the annual caps. Save as disclosed above, to the best knowledge of the Company, none of the other Directors has any material interest in the Framework Agreements on Tobacco Leaf Products Export to New Regions and the transactions contemplated thereunder, and therefore no other Director was required to abstain from voting on the Board resolutions approving the Framework Agreements on Tobacco Leaf Products Export to New Regions and the transactions contemplated thereunder (including the annual caps).

The Directors (excluding Mr. Shao Yan but including all the independent non-executive Directors) believe that the Framework Agreements on Tobacco Leaf Products Export to New Regions were entered into in the ordinary and usual course of business of the Group and are on normal commercial terms or better, and the terms of the Framework Agreements on Tobacco Leaf Products Export to New Regions (including the annual caps) are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **5. INFORMATION ABOUT THE PARTIES**

### **The Company**

As at the date of this announcement, the Company is principally engaged in the following businesses: (i) export of tobacco leaf products to Southeast Asia, Hong Kong, Macau, Taiwan and Non-exclusive Operating Regions for Tobacco Leaf Products; (ii) import of tobacco leaf products to the Chinese Mainland from origin countries or regions around the world (other than from sanctioned countries and regions); (iii) export of cigarettes to the Exclusive Operating Regions for Cigarettes and New Designated Regions for Cigarettes from CNTC Group directly or through distributors; (iv) export of new tobacco products to the global market (except the Chinese Mainland); and (v) procurement, processing, sale of tobacco leaves and procurement of agricultural materials inherent to tobacco production in Brazil and from Brazil to the global market (except the Chinese Mainland).

### **The Sellers**

CTI North America is a company incorporated in the State of North Carolina, the United States, and an indirectly wholly-owned subsidiary of CNTC. Each of the other Sellers is an enterprise incorporated in the PRC, and a subsidiary of CNTC, the ultimate controlling shareholder of the Company. Each of the Sellers is principally engaged in selling tobacco leaf products to both the Company and other third-party buyers. CNTC is wholly owned by the State Council of the PRC. CNTC and its subsidiaries are the only entities under the State tobacco monopoly regime of the PRC to engage in the production, sale, and import and export businesses of tobacco monopoly commodities in the PRC.

## 6. DEFINITIONS

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

“Announcement”	the announcement of the Company dated 27 November 2024 in respect of, among others, the Framework Agreements on Tobacco Leaf Products Export to New Regions
“Board”	the board of Directors of the Company
“Chinese Mainland”	PRC excluding Hong Kong, Macau and Taiwan
“CNTC”	China National Tobacco Corporation* (中國煙草總公司), an enterprise incorporated in the PRC, and the sole shareholder of CTI and CTIG and the ultimate controlling shareholder of the Company. CNTC is wholly owned by the State Council of the PRC
“CNTC Group”	CNTC and its subsidiaries
“Company”	China Tobacco International (HK) Company Limited (中煙國際(香港)有限公司), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 6055)
“CTIG”	China Tobacco International Group Limited* (中煙國際集團有限公司), the controlling shareholder of the Company and a wholly-owned subsidiary of CNTC
“CTI North America”	China Tobacco International (North America), Inc., a company incorporated in the State of North Carolina, the United States and an indirectly wholly-owned subsidiary of CNTC
“Director(s)”	the director(s) of the Company
“Exclusive Operating Regions for Cigarettes”	duty-free outlets of the Kingdom of Thailand, the Republic of Singapore, Hong Kong, Macau, as well as duty-free outlets within the borders, but outside the customs areas, of the Chinese Mainland

“Framework Agreements on Tobacco Leaf Products Export to New Regions”	the framework agreements entered into between the Company and the Sellers with respect to the procurement of tobacco leaf products from such connected persons as part of the Company’s tobacco leaf products export business in the Non-exclusive Operating Regions for Tobacco Leaf Products, for the time being, including (a) the framework agreements dated 27 November 2024 entered into by (i) the Company, and (ii) each of Yunnan Import and Export, Sichuan Import and Export, Shandong Import and Export, Hunan Import and Export and Fujian Import and Export, respectively, (b) the framework agreement dated 29 April 2025 entered into by the Company and Henan Import and Export, (c) the framework agreements dated 3 June 2025 entered into by (i) the Company and (ii) each of Hubei Import and Export and Shaanxi Tobacco Import and Export, respectively, (d) the framework agreement dated 6 October 2025 entered into by the Company and Guizhou Import and Export, and (e) the framework agreement dated 27 January 2026 entered into by the Company and CTI North America
“Fujian Import and Export”	China Tobacco Fujian Import and Export Co., Ltd* (中國煙草福建進出口有限責任公司), an enterprise incorporated in the PRC, and a subsidiary of CNTC
“Guizhou Import and Export”	China Tobacco Guizhou Import and Export Co., Ltd* (中國煙草貴州進出口有限責任公司), an enterprise incorporated in the PRC, and a subsidiary of CNTC
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Henan Import and Export”	China Tobacco Henan Import and Export Co., Ltd* (中國煙草河南進出口有限責任公司), an enterprise incorporated in the PRC, and a subsidiary of CNTC
“Hubei Import and Export”	China Tobacco Hubei Import and Export Co., Ltd* (中國煙草湖北進出口有限責任公司), an enterprise incorporated in the PRC, and a subsidiary of CNTC
“Hunan Import and Export”	China Tobacco Hunan Import and Export Co., Ltd* (中國煙草湖南進出口有限責任公司), an enterprise incorporated in the PRC, and a subsidiary of CNTC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited



“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“New Designated Regions for Cigarettes”	areas other than (i) Exclusive Operating Regions for Cigarettes; and (ii) the Chinese Mainland
“Non-exclusive Operating Regions for Tobacco Leaf Products”	areas other than (i) Southeast Asia, Hong Kong, Macau and Taiwan; and (ii) Chinese Mainland
“PRC”	the People’s Republic of China, excluding, for the purposes of this announcement, Hong Kong, Macau and Taiwan
“Seller(s)”	the sellers under the Framework Agreements on Tobacco Leaf Products Export to New Regions, being relevant entities under CNTC, and for the time being includes Yunnan Import and Export, Sichuan Import and Export, Shandong Import and Export, Hunan Import and Export, Fujian Import and Export, Henan Import and Export, Hubei Import and Export, Shaanxi Tobacco Import and Export, Guizhou Import and Export and CTI North America
“Shaanxi Tobacco Import and Export”	Shaanxi Tobacco Import and Export Co., Ltd* (陝西煙草進出口有限責任公司), an enterprise incorporated in the PRC, and a subsidiary of CNTC
“Shandong Import and Export”	China Tobacco Shandong Import and Export Co., Ltd* (中國煙草山東進出口有限責任公司), an enterprise incorporated in the PRC, and a subsidiary of CNTC
“Sichuan Import and Export”	China Tobacco Sichuan Import and Export Co., Ltd* (中國煙草四川進出口有限責任公司), an enterprise incorporated in the PRC, and a subsidiary of CNTC
“Southeast Asia”	Indonesia, the Philippines, Malaysia, Vietnam, Cambodia, Laos, Myanmar, Thailand, Singapore, Brunei, the Democratic Republic of Timor-Leste and other countries
“Taiwan”	The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu
“US\$”	United States dollars, the lawful currency of the United States of America

“Yunnan Import and  
Export”

China Tobacco Yunnan Import and Export Co., Ltd\* (中國煙草雲南進  
出口有限公司), an enterprise incorporated in the PRC, and a  
subsidiary of CNTC

“%”

percent

*In this announcement, the English translation of an entity’s or a company’s name in Chinese which is marked with “\*” is for identification purpose only. If there is any inconsistency between the Chinese names of entities or companies established in the PRC and their English translations, the Chinese names shall prevail.*

By order of the Board  
**China Tobacco International (HK) Company Limited**  
**Shao Yan**  
*Chairman*

Hong Kong, 27 January 2026

*As at the date of this announcement, the Board comprises Mr. Shao Yan, as chairman and non-executive director, Mr. Dai Jiahui, Mr. Wang Chengrui, Mr. Xu Zengyun and Ms. Mao Zilu as executive directors, and Mr. Chow Siu Lui, Mr. Wang Xinhua, Mr. Qian Yi and Ms. He Junhua as independent non-executive directors.*