China Hongqiao Group Limited
中國宏橋集團有限公司

(Incorporated under the laws of Cayman Islands with limited liability)

(Stock Code: 1378)

CONNECTED TRANSACTION
ACQUISITION OF EQUITY INTEREST

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On 11 September 2026, Yunnan Hongqiao (an indirect subsidiary of the Company) entered into the Xinchuang Equity Transfer Agreement with Binzhou Public Construction, pursuant to which Binzhou Public Construction shall sell, and Yunnan Hongqiao shall acquire, the entire equity interest in Weiqiao Xinchuang.

LISTING RULES IMPLICATIONS

Yunnan Hongqiao is an indirect subsidiary of the Company. Binzhou Public Construction is a wholly-owned subsidiary of Weiqiao Chuangye Group, which is a subsidiary of China Hongqiao Holdings Limited (the controlling shareholder of the Company), as well as an associate of Mr. Zhang Bo (an executive Director and, together with his other family members, having equity interests in Weiqiao Chuangye Group). Therefore, Binzhou Public Construction is a connected person of the Company under the Listing Rules. Accordingly, the transaction contemplated under the Xinchuang Equity Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the transaction contemplated under the Xinchuang Equity Transfer Agreement, on an aggregate basis, is more than 0.1% but less than 5%, the transaction is subject to the announcement and reporting requirements but exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

A. ACQUISITION OF EQUITY INTEREST

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1. Material terms of the Xinchuang Equity Transfer Agreement

The principal terms of the Xinchuang Equity Transfer Agreement are set out as follows:

Date

11 September 2026

Parties

(1) Binzhou Public Construction, as transferor; and

(2) Yunnan Hongqiao, as transferee.

Binzhou Public Construction is a wholly-owned subsidiary of Weiqiao Chuangye Group, which is a subsidiary of China Hongqiao Holdings Limited (the controlling shareholder of the Company), as well as an associate of Mr. Zhang Bo (an executive Director and, together with his other family members, having equity interests in Weiqiao Chuangye Group). Therefore, Binzhou Public Construction is a connected person of the Company under the Listing Rules. Accordingly, the transaction contemplated under the Xinchuang Equity Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Subject matter

Pursuant to the Xinchuang Equity Transfer Agreement, Binzhou Public Construction shall sell, and Yunnan Hongqiao shall acquire, the entire equity interest (including the relevant benefits, interest and rights) in Weiqiao Xinchuang.

Consideration, pricing basis and payment terms

Pursuant to the Xinchuang Equity Transfer Agreement, the total consideration payable by Yunnan Hongqiao to Binzhou Public Construction for the transfer of the entire equity interest in Weiqiao Xinchuang is RMB239,704,219.40. Such consideration is determined on normal commercial terms and arrived at after arm's length negotiations based on the appraised value of the shareholders' equity of Weiqiao Xinchuang as at 31 May 2026 (the valuation benchmark date), being RMB239,704,219.40. The appraised value (being RMB239,704,219.40) was determined by an independent valuer based on the valuation results under the asset-based approach (for Weiqiao Xinchuang) and the market approach (for a subsidiary of Weiqiao Xinchuang). Yunnan Hongqiao shall pay the total consideration within 30 days of the date of the Xinchuang Equity Transfer Agreement.

Completion

The parties shall proactively cooperate to attend and complete the registration and alteration procedures of the competent authorities through Weiqiao Xinchuang in connection with the transfer of the equity interests in Weiqiao Xinchuang, within 30 days after the date of the Xinchuang Equity Transfer Agreement.

From the completion date, being the date on which the alteration of the industrial and commercial registration is completed, Yunnan Hongqiao shall enjoy and bear all the rights and obligations in respect of the equity interests in Weiqiao Xinchuang, and Binzhou Public Construction shall cease to enjoy and bear any rights and obligations in respect of such equity interest.

Upon completion of the Xinchuang Equity Transfer Agreement, Weiqiao Xinchuang will become a subsidiary of the Company, and its financial results will be consolidated into the Group's accounts.

2. The Target

Weiqiao Xinchuang is a limited liability company incorporated under the laws of the PRC on 4 September 2020 and wholly-owned by Binzhou Public Construction. It is principally engaged in the photovoltaic new energy generation business in the Yunnan region of China. As at the date of this announcement, it owns a total of 2 grid-connected photovoltaic power generation projects, with a combined rated installed capacity of 170 MW.

The net asset value and total assets of Weiqiao Xinchuang as at 30 June 2026 were RMB179,829,915.17 and RMB642,052,487.48, respectively. Its net losses (both before and after taxation) for the financial years ended 31 December 2024 and 31 December 2025 were as follows:

	For the financial year ended 31 December 2024 *(Unaudited)* *RMB*	**For the financial year ended 31 December 2025** *(Audited)* *RMB*
Approximate net loss before tax	6,010,251.20	12,426,733.80
Approximate net loss after tax	7,433,896.98	13,333,331.90

As at the date of this announcement, the original investment cost of Binzhou Public Construction in Weiqiao Xinchuang, being the paid-in capital, was RMB200 million.

3. Reasons for and Benefits of Entering into the Xinchuang Equity Transfer Agreement

Yunnan Hongqiao is wholly-owned by Shandong Hongqiao Holdings, and Shandong Hongqiao Holdings is engaged in the business of the entire aluminum industry chain encompassing alumina, electrolytic aluminum and aluminum deep-processing. Shandong Hongqiao Holdings has been continuously relocating and commissioning electrolytic aluminum production capacity, and the key to its stable and efficient business operations is the high-quality and reliable supply of electricity. Against this backdrop, the Board considers that the acquisition contemplated under the Xinchuang Equity Transfer Agreement will enable Shandong Hongqiao Holdings to secure greater autonomy over its power supply, thereby reducing its reliance on external electricity sources and lowering the operational risks arising from power supply disruptions. Strengthening Shandong Hongqiao Holdings' self-sufficient power supply capability is therefore a key driver of its broader industrial integration strategy.

The Directors (including the independent non-executive Directors) are of the view that the transaction contemplated under the Xinchuang Equity Transfer Agreement is on normal commercial terms, and the terms contained therein are fair and reasonable and in the interests of the Company and the Shareholders as a whole. However, such transaction is not conducted in the ordinary course of business of the Group due to its nature.

B. LISTING RULES IMPLICATIONS

Yunnan Hongqiao is an indirect subsidiary of the Company. Binzhou Public Construction is a wholly-owned subsidiary of Weiqiao Chuangye Group, which is a subsidiary of China Hongqiao Holdings Limited (the controlling shareholder of the Company), as well as an associate of Mr. Zhang Bo (an executive Director and, together with his other family members, having equity interests in Weiqiao Chuangye Group). Therefore, Binzhou Public Construction is a connected person of the Company under the Listing Rules. Accordingly, the transaction contemplated under the Xinchuang Equity Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the transaction contemplated under the Xinchuang Equity Transfer Agreement, on an aggregate basis, is more than 0.1% but less than 5%, the transaction is subject to the announcement and reporting requirements but exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

C. BOARD'S APPROVAL

The Xinchuang Equity Transfer Agreement and the transaction contemplated thereunder were approved by the Board. Each of Mr. Zhang Bo, Mr. Yang Congsen, Mr. Zhang Jinglei, Ms. Zhang Ruilian and Ms. Sun Dongdong had either not participated in voting or abstained from voting on the relevant resolution of the Board approving the Xinchuang Equity Transfer Agreement and the transaction contemplated thereunder as they and/or their respective associates concurrently have material interests and/or hold relevant positions in Weiqiao Chuangye Group.

D. GENERAL INFORMATION

The Group is principally engaged in the manufacture and sale of aluminum products.

Yunnan Hongqiao is an indirect non-wholly owned subsidiary of the Company. It is wholly owned by Shandong Hongqiao Holdings and is an investment holding company.

Shandong Hongqiao Holdings is a joint stock company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company and the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002379.SZ). It is principally engaged in the research and development, production and sales of aluminum alloy products, alumina products and aluminum fabrication products. It currently owns the production lines of the Group in Chinese Mainland for all of the aluminum alloy products and alumina products, and part of the aluminum fabrication products.

Binzhou Public Construction is a wholly-owned subsidiary of Weiqiao Chuangye Group and is principally engaged in power generation, power transmission, and power supply (distribution), thermal power production and supply, and heating services.

Weiqiao Chuangye Group is principally engaged in the processing and sale of cotton, lint cotton, cotton seed oil, fabrics, cotton yarn and print cloth, retail and distribution of cloth and supply of industrial water. As at the date of this announcement, Weiqiao Chuangye Group is held as to approximately 73.91% of the equity interest by Shandong Shenghe Zhiyuan Investment Co., Ltd.* (山東盛和致遠投資有限公司) ("**Shenghe Zhiyuan**"). The registered shareholders of Shenghe Zhiyuan are two corporate shareholders, among which China Hongqiao Holdings Limited holds 80% of the equity interest and Shiping Global Holding Company Limited* (士平環球控股有限公司) holds 20% of the equity interest. Approximately 19.13% of the equity interest of Weiqiao Chuangye Group is held by Binzhou Hanchuang Technological Development Partnership (Limited Partnership)* (濱州瀚創科技發展合夥企業(有限合夥)), which is held as to 99.975% by Shandong Weiqiao Chuangye Group Company Limited Union Committee* (山東魏橋創業集團有限公司工會委員會) (the "**Union**"). The Union serves as an incentive and shareholding platform for certain core employees, holding such interests on behalf of those employees. None of such employees holds more than 1% equity interest in Weiqiao Chuangye Group. Approximately 2.71% of the equity interest of Weiqiao Chuangye Group is held by Shandong Weiqiao Investment Holdings Co., Ltd. ("**Weiqiao Investment**"). The registered shareholders of Weiqiao Investment are 27 individuals, and adopt "one person, one vote". Among these shareholders, Mr. Zhang Bo holds approximately 10.34% equity interest (of which approximately 2.07% is held on behalf of others), Ms. Zhang Hongxia holds approximately 7.76% equity interest (of which approximately 1.55% is held on behalf of others), Ms. Zhang Yanhong holds approximately 7.76% equity interest (of which approximately 1.55% is held on behalf of others), Mr. Yang Guangchang holds approximately 5.17% equity interest (of which approximately 1.72% is held on behalf of others), and the remaining equity interest is held by the other 23 individual shareholders, of which their shareholding ranges from 1.38% to 3.45%. Approximately 4.13% equity interest of Weiqiao Chuangye Group is held by its 10 management members (approximately 1.14% by Mr. Zhang Bo, approximately 0.98% by Ms. Zhang Hongxia, approximately 0.88% by Ms. Zhang Yanhong, approximately 0.19% by Mr. Yang Congsen, approximately 0.28% by Mr. Zhang Shixue, approximately 0.34% by Mr. Wei Yingzhao, approximately 0.15% by Mr. Zhang Kai, approximately 0.03% by Ms. Zhao Suwen, approximately 0.10% by Mr. Liu Fenghai, and approximately 0.04% by Mr. Wei Jiakun).

E. DEFINITIONS

In this announcement, the following expressions shall have the following respective meanings:

"Binzhou Public Construction"	Binzhou Public Construction Investment and Development Co., Ltd.* (濱州市公建投資開發有限公司), a limited liability company established in the PRC and a wholly-owned subsidiary of Weiqiao Chuangye Group
"Board"	the board of Directors
"Company"	China Hongqiao Group Limited (中國宏橋集團有限公司)
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Shandong Hongqiao Holdings"	Shandong Hongqiao Aluminum Industry Holding Company Limited (山東宏橋鋁業控股股份有限公司), a joint stock company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company and the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002379.SZ)
"Shareholder(s)"	registered holder(s) of the shares of the Company
"Weiqiao Chuangye Group"	Shandong Weiqiao Chuangye Group Company Limited* (山東魏橋創業集團有限公司), a limited liability company established in the PRC on 14 April 1998
"Weiqiao Xinchuang"	Yunnan Weiqiao Xinchuang Science and Technology Industrial Park Development Co., Ltd.* (雲南魏橋新創科技產業園發展有限公司), a limited liability company established in the PRC and wholly-owned by Binzhou Public Construction

"Xinchuang Equity Transfer Agreement"	the equity acquisition agreement entered into between Yunnan Hongqiao and Binzhou Public Construction on 11 September 2026 in relation to the transfer of the 100% equity interest in Weiqiao Xinchuang by Binzhou Public Construction to Yunnan Hongqiao
"Yunnan Hongqiao"	Yunnan Hongqiao New Materials Co., Ltd.* (雲南宏橋新型材料有限公司), an indirect non-wholly owned subsidiary of the Company
"%"	per cent

* *The Chinese names of the PRC entities have been translated into English in this announcement for reference only. In the event of any discrepancies between the Chinese names of the PRC entities and their respective English translation, the Chinese version shall prevail.*

By order of the Board
China Hongqiao Group Limited
Zhang Bo
Chairman

Hong Kong, the PRC
11 September 2026

As at the date of this announcement, the Board comprises eleven Directors, namely Mr. Zhang Bo, Mr. Zhang Jinglei, Ms. Zhang Ruilian and Ms. Wong Yuting as executive Directors, Mr. Yang Congsen, Mr. Tu Yikai (Mr. Zhang Hao as his alternate) and Ms. Sun Dongdong as non-executive Directors, and Mr. Meng Xianzhong, Mr. Wen Xianjun, Ms. Fu Yulin and Mr. Ma Jin as independent non-executive Directors.