

CONNECTED TRANSACTIONS

Upon the [REDACTED], the following transactions between us and our connected persons, which are entered into in our ordinary course of business, will constitute our continuing connected transactions under Chapter 14A of the Listing Rules.

RELEVANT CONNECTED PERSONS

The table below sets forth the parties that will constitute our connected persons upon the [REDACTED] and have entered into transactions with us which will constitute our continuing connected transactions upon the [REDACTED]:

Connected persons	Relationship
Hangzhou Industrial Group	our Controlling Shareholder
Zhejiang Leihuo Trading Co., Ltd. (浙江雷火商貿有限公司) (“ Zhejiang Leihuo ”)	As of the Latest Practicable Date, Zhejiang Leihuo was controlled as to 49% by Hangzhou Wuwei Zhiyuan Industrial Holding Co., Ltd. (杭州無畏治遠實業控股有限公司) (“ Wuwei Zhiyuan ”), which was primarily engaged in investment holding. Wuwei Zhiyuan holds 36.75% of the equity interests in Zhejiang Honors Shancheng, our subsidiary. Accordingly, Zhejiang Leihuo is an associate of Wuwei Zhiyuan and a connected person of our Company at the subsidiary level under the Listing Rules. Wuwei Zhiyuan was owned as to (a) 40% by Ningbo Shanshi Enterprise Management Consulting Partnership (Limited Partnership) (寧波市善時企業管理諮詢合夥企業(有限合夥)), (b) 40% by Hangzhou Wuwei Enterprise Management Consulting Partnership (Limited Partnership) (杭州無畏企業管理諮詢合夥企業(有限合夥)), and (c) 20% by Hangzhou Zhiyuan Enterprise Management Consulting Partnership (Limited Partnership) (杭州治遠企業管理諮詢合夥企業(有限合夥)), each of which is controlled by Ms. Bao Lili (鮑莉莉) as its general partner, and no limited partner holds 30% or more of the partnership interest in any of such partnerships. For more details of Ms. Bao Lili, see “History, Development and Corporate Structure — Our Shareholding and Corporate Structure” in this document.
Yunnan Chibang Rubber Co., Ltd. (雲南赤邦橡膠有限公司) (“ Chibang Rubber ”)	As of the Latest Practicable Date, Chibang Rubber was controlled as to 30% by Zhejiang Dunxin Four Bung Trading Co., Ltd. (浙江敦信四邦貿易有限公司) (“ Dunxin Four Bung ”), which holds 49% of the equity interests in Zhejiang Four Bung, our subsidiary. Accordingly, Chibang Rubber is an associate of Dunxin Four Bung and a connected person of our Company at the subsidiary level under the Listing Rules. Dunxin Four Bung was owned as to approximately (a) 58.06% by Ningbo Jing’an Enterprise Management Partnership (Limited Partnership) (寧波旌安企業管理合夥企業(有限合夥)), which was in turn ultimately controlled by Mr. Chen Yufeng, (b) 16.46% by Zhejiang Zilu Trading Co., Ltd. (浙江子路貿易有限公司), which was wholly controlled by Mr. Lao Hongbo (勞洪波), a member of our Controlling Shareholders Group and our senior management, and his close associate, Ms. Shen Jing (沈璟), (c) 10.77% by Mr. Gu Xuequn (顧學群), an Independent Third Party, (d) 9.03% by Dunhe Industrial Investment Management Co., Ltd. (敦和產業投資管理有限公司), which was ultimately owned by Mr. Ye Qingjun (葉慶均), an Independent Third Party, and (e) 5.68% by Zhejiang Zhongyou Xinde Trading Co., Ltd. (浙江中友信德貿易有限公司), which was ultimately owned by Mr. Zhu Xuegang (朱學剛), an Independent Third Party. For more details of Mr. Chen Yufeng, see “History, Development and Corporate Structure — Our Shareholding and Corporate Structure” in this document.

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Connected persons	Relationship
Zhejiang Honors Energy Services Co., Ltd. (浙江杭實能源服務有限公司) (“Zhejiang Honors Energy”)	As of the Latest Practicable Date, Zhejiang Honors Energy was owned as to (a) 51% by the Company, (b) 23.88% by Ningbo Jing’an Enterprise Management Partnership (Limited Partnership) (寧波旌安企業管理合夥企業(有限合夥)), which was controlled by Mr. Chen Yufeng as its general partner, and none of its limited partners holds 30% or more of the partnership interest therein, (c) 15.50% by Zhejiang Zilu Trading Co., Ltd. (浙江子路貿易有限公司), which was wholly controlled by Mr. Lao Hongbo (勞洪波), a member of our Controlling Shareholders Group and our senior management, and his close associate, Ms. Shen Jing (沈璟), and (d) 9.62% by Ms. Hu Xiaohong (胡小紅), an Independent Third Party. For more details of Mr. Chen Yufeng, see “History, Development and Corporate Structure — Our Shareholding and Corporate Structure” in this document. As Mr. Lao Hongbo is one of our Controlling Shareholders, Zhejiang Honors Energy therefore constitutes a connected subsidiary of our Company under Rule 14A.16 of the Listing Rules.
CIEC Anzhi	As of the Latest Practicable Date, CIEC Anzhi was a non-wholly owned subsidiary of our Company and was owned as to 49% by Hangzhou Industrial Group, one of our Controlling Shareholders, therefore constitutes a connected subsidiary of our Company under Rule 14A.16 of the Listing Rules.

SUMMARY OF OUR CONTINUING CONNECTED TRANSACTIONS

No.	Transaction	Counterparty	Applicable Listing Rule	Waiver sought	Historical amounts	Proposed annual cap
					(RMB in millions)	(RMB in millions)
Fully Exempt Continuing Connected Transactions						
1 . .	Supply of Goods to Chibang Rubber	Chibang Rubber	14A.76(1)(b)	N/A	For the years ended December 31, 2023: 14.3 2024: 66.7 2025: 40.8 For the five months ended May 31, 2026: 10.9	2026: 80 2027: 60 2028: 60
2 . .	Procurement of Goods from CIEC Anzhi	CIEC Anzhi	14A.76(1)(a)	N/A	For the years ended December 31, 2023: 5.6 2024: nil 2025: 12.2 For the five months ended May 31, 2026: 35.6	2026: 37 2027: nil 2028: nil
3 . .	Lease of Premises from our Group to Zhejiang Honors Energy	Zhejiang Honors Energy	14A.76(1)(a)	N/A	For the years ended December 31, 2023: 1.5 2024: 1.5 2025: 0.6 For the five months ended May 31, 2026: 0.2	2026: 0.5 2027: 0.5 2028: 0.5

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No.	Transaction	Counterparty	Applicable Listing Rule	Waiver sought	Historical amounts <i>(RMB in millions)</i>	Proposed annual cap <i>(RMB in millions)</i>
4 . .	Provision of Guarantees by Hangzhou Industrial Group	Hangzhou Industrial Group	14A.90	N/A	For the years ended December 31, 2023: 26,366.0 2024: 27,711.0 2025: 21,332.9 For the five months ended May 31, 2026: 5,278.6	2026: 500.3 2027: nil 2028: nil
5 . .	Provision of Trading Services to CIEC Anzhi	CIEC Anzhi	14A.76(1)(a)	N/A	For the years ended December 31, 2023: nil 2024: nil 2025: 7.9 For the five months ended May 31, 2026: 7.1	2026: 34 2027: 7 2028: nil
Partially Exempt Continuing Connected Transactions						
6 . .	Procurement of Goods from Zhejiang Leihuo	Zhejiang Leihuo	14A.76(2) (a)	Announcement requirement	For the years ended December 31, 2023: nil 2024: 43.0 2025: 137.5 For the five months ended May 31, 2026: 99.5	2026: 150 2027: 100 2028: 100
7 . .	Procurement of Goods from Chibang Rubber	Chibang Rubber	14A.76(2) (a)	Announcement requirement	For the years ended December 31, 2023: 55.0 2024: 282.8 2025: 209.6 For the five months ended May 31, 2026: 54.2	2026: 150 2027: 120 2028: 100
8 . .	Supply of Goods to Zhejiang Honors Energy	Zhejiang Honors Energy	14A.76(2) (a)	Announcement requirement	For the years ended December 31, 2023: 27.9 2024: 79.3 2025: 0.3 For the five months ended May 31, 2026: nil	2026: 80 2027: 100 2028: 120

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No.	Transaction	Counterparty	Applicable Listing Rule	Waiver sought	Historical amounts (RMB in millions)	Proposed annual cap (RMB in millions)
9	Zhejiang Honors Energy Financing Framework Agreement	Zhejiang Honors Energy	14A.76(2) (a)	Announcement requirement	For the years ended December 31, 2023: 376.0 2024: 134.0 2025: 29.9 For the five months ended May 31, 2026: 165.9	2026: 250 2027: 300 2028: 350

Non-exempt Continuing Connected Transactions

10	Procurement of Goods from Zhejiang Honors Energy	Zhejiang Honors Energy	14A.35, 14A.36, 14A.49, 14A.71 and 14A.105	Announcement and independent Shareholders’ approval requirement	For the years ended December 31, 2023: 3,589.0 2024: 451.0 2025: 450.0 For the five months ended May 31, 2026: 169.4	2026: 600 2027: 600 2028: 600
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OUR FULLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

1. Supply of Goods to Chibang Rubber

We have provided, and expect to continue to provide, mixed rubber related products to Chibang Rubber for our trading business. The supply of mixed rubber related products to Chibang Rubber has been conducted in the ordinary and usual course of business and on normal commercial terms or better. Given our long-standing supply relationship with Chibang Rubber, and its sustained demand for mixed rubber related products arising from its in-house rubber manufacturing business, we consider that maintaining our cooperation is fair and reasonable and in the interests of our Shareholders as a whole. The pricing for the supply of mixed rubber related products is determined based on arm’s length negotiations between our Group and Chibang Rubber, with reference to the market prices obtained by our Group from Independent Third Parties for the supply of mixed rubber related products of similar grade, nature and volume. The terms of such transactions are no less favorable to our Group than those available to us from Independent Third Parties.

As all of the applicable percentage ratios calculated under Chapter 14A of the Listing Rules are less than 1% on an annual basis, and as the transaction constitutes a connected transaction solely because it involves a connected person at the subsidiary level, the supply of mixed rubber related products to Chibang Rubber is fully exempt from the reporting, annual review, announcement, circular and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1)(b) of the Listing Rules.

2. Procurement of Goods from CIEC Anzhi

We have procured, and expect to continue to procure, ferrous products from CIEC Anzhi for our leasing business. The procurement of ferrous products from CIEC Anzhi has been conducted in the ordinary and usual course of business and on normal commercial terms or better. Given our long-standing procurement relationship with CIEC Anzhi, its stable supply capacity for ferrous products, and its ability to effectively fulfill our Group’s demands in terms of volume and quality in a timely and reliable manner, we consider that maintaining our cooperation is fair and reasonable and in the interests of our Shareholders as a whole. The pricing for the procurement of ferrous

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products is determined based on arm’s length negotiations between our Group and CIEC Anzhi, with reference to the market prices obtained by our Group from Independent Third Parties in relation to the procurement of ferrous products of similar grade, nature and volume. The terms of such transactions are no less favorable to our Group than those available to us from Independent Third Parties.

As all of the applicable percentage ratios calculated under Chapter 14A of the Listing Rules are less than 0.1% on an annual basis, the procurement of goods from CIEC Anzhi will be fully exempt from all of the reporting, annual review, announcement, circular and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1)(a) of the Listing Rules.

3. Lease of Premises from our Group to Zhejiang Honors Energy

Our Group has entered into lease agreements with Zhejiang Honors Energy, pursuant to which our Group agreed to lease to Zhejiang Honors Energy certain premises in Hangzhou City, Zhejiang Province, for office use. The amount of rent under such lease agreements has been determined based on arm’s length negotiation between our Group and Zhejiang Honors Energy with reference to the prevailing market rent of comparable properties in the proximity of the premises. The terms are to be no less favorable to our Group compared to those transactions between our Group and Independent Third Parties.

As all of the applicable percentage ratios calculated under Chapter 14A of the Listing Rules are less than 0.1% on an annual basis, the leases of premises to Zhejiang Honors Energy will be fully exempt from all of the reporting, annual review, announcement, circular and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1)(a) of the Listing Rules.

4. Provision of Guarantees by Hangzhou Industrial Group

Hangzhou Industrial Group, as our Controlling Shareholder, has provided guarantees in favor of us to secure certain borrowings and credit facilities from various commercial banks and financial institutions. It is expected that our borrowings and credit facilities in aggregate amounted to approximately RMB500.3 million will continue to be guaranteed by Hangzhou Industrial Group upon the [REDACTED] and such guarantees are expected to be fully released upon the repayment of the relevant loans and credit facilities between June 2026 and December 2027, with annual interest rates ranging from 1.7% to 2.2%. As the early release of guarantees provided by Hangzhou Industrial Group is not in the best commercial interest of our Group and our Shareholders as a whole, we do not intend to discharge such guarantees prior to the [REDACTED], and the guarantees will continue to be in effect immediately after the [REDACTED]. See “Relationship with Our Controlling Shareholders — Independence from Our Controlling Shareholders — Financial Independence” for more details.

Upon the completion of the [REDACTED], such provision of guarantees by Hangzhou Industrial Group will constitute financial assistance from the Controlling Shareholders under Chapter 14A of the Listing Rules. However, as the financial assistance was provided for the benefit of our Group on normal commercial terms and no security over the assets of our Group was granted in respect of the financial assistance, pursuant to Rule 14A.90 of the Listing Rules, it will be exempt from reporting, annual review, announcement and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

5. Provision of Trading Services to CIEC Anzhi

We have provided and expect to continue to provide trading support services to CIEC Anzhi in connection with its ferrous products exporting as may be required by CIEC Anzhi from time to time, including but not limited to logistics planning and export consulting services. The

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consideration for provisions of services to CIEC Anzhi has been determined based on arm’s length negotiation between our Group and CIEC Anzhi with reference to, among others, market prices of similar services, service complexity, and relevant coordination costs.

The provision of services to CIEC Anzhi has been conducted in the ordinary and usual course of business and on normal commercial terms or better, and all applicable percentage ratios calculated under Chapter 14A of the Listing Rules will be less than 0.1%. Therefore, the provision of services to CIEC Anzhi will be fully exempt from all of the reporting, annual review, announcement, circular and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1)(a) of the Listing Rules.

OUR PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

In our ordinary and usual course of business, we have entered into the following transactions which, as our Directors currently expect, (i) the highest applicable percentage ratio calculated for the purpose of Chapter 14A of the Listing Rules will be more than 0.1% and less than 5% on an annual basis; and (ii) in the event that any such transaction constitutes a connected transaction solely because it involves a connected person at the subsidiary level, the highest applicable percentage ratio will be more than 1% and less than 5% on an annual basis. Under Rule 14A.76(2) of the Listing Rules, these transactions will be subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

6. Procurement of Goods from Zhejiang Leihuo

On [●], our Group [entered] into a goods procurement framework agreement with Zhejiang Leihuo (the “**Zhejiang Leihuo Goods Procurement Framework Agreement**”), pursuant to which Zhejiang Leihuo will supply to our Group chemical commodities as we may require for our chemicals trading business from time to time. Transactions under the Zhejiang Leihuo Goods Procurement Framework Agreement will be conducted on normal commercial terms in the ordinary and usual course of business of our Group.

The initial term of the Zhejiang Leihuo Goods Procurement Framework Agreement will commence on the [REDACTED] and will end on December 31, 2028, subject to renewal upon the mutual agreement of both parties thereto. Both parties or their respective subsidiaries will enter into separate underlying agreements which will set out the specific terms and conditions for the procurement of chemical commodities according to the principles provided in Zhejiang Leihuo Goods Procurement Framework Agreement.

Reasons for the transaction

We have historically procured chemical commodities from Zhejiang Leihuo and have established a stable procurement relationship with them. Zhejiang Leihuo’s established sourcing capabilities in chemical commodities and its in-depth understanding of our Group’s business needs, quality standards and operational requirements, entering into the Zhejiang Leihuo Goods Procurement Framework Agreement enables our Group to secure a stable and reliable supply source, enhance transaction efficiency and better manage procurement planning and exposure to market price fluctuations.

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Pricing terms and policies

The pricing relating to the procurement of chemical commodities from Zhejiang Leihuo pursuant to the Zhejiang Leihuo Goods Procurement Framework Agreement shall be determined based on arm’s length negotiation with reference to (i) market price we obtained from Independent Third Parties for procurement of chemical commodities of similar nature and quantity, (ii) relevant local industry index prices (including but not limited to the public prices released by the Shanghai Petrochemical Trading Center or Zhuochuang Information (SCI)), (iii) the quality characteristics we require, (iv) associated transportation and logistics costs, (v) the payment terms offered to us, and (vi) changes in relevant local policies. Before placing a purchase order with Zhejiang Leihuo, we shall obtain at least two quotations for products of similar nature and quantities from Independent Third Parties in the same or nearby regions. Our Company will compare the terms offered by Zhejiang Leihuo with the third-party quotations, and the transaction shall only be proceeded if the price is within the range of the prevailing market prices and the terms are to be no less favorable to our Group compared to those transactions between our Group and Independent Third Parties.

Historical amounts

For the years ended December 31, 2023, 2024 and 2025, and the five months ended May 31, 2026, the historical transaction amounts with respect to the procurement of chemical commodities from Zhejiang Leihuo were nil, RMB43.0 million, RMB137.5 million, and RMB99.5 million, respectively. The increase in historical transaction amounts was mainly due to the expansion of our procurement needs for chemical commodities and our recognition of Zhejiang Leihuo’s supply quality.

Annual caps

The following table sets forth the proposed annual caps of the transaction amount to be paid to Zhejiang Leihuo by us for our purchase of chemical commodities under the Zhejiang Leihuo Goods Procurement Framework Agreement:

	Year ending December 31,		
	2026	2027	2028
	(RMB in millions)		
Total prices to be paid by us to Zhejiang Leihuo	150	100	100

The proposed annual cap is determined with reference to, among others, the following factors:

- (i) the historical amounts of the transactions between our Group and Zhejiang Leihuo during the Track Record Period in respect of our procurement of chemical commodities;
- (ii) the expected reduction in our overall procurement demand for PTA and MEG, which historically constituted our principal purchases from Zhejiang Leihuo;
- (iii) the continued expansion of our suppliers network;
- (iv) as of the Latest Practicable Date, the aggregate value of purchase contracts entered into with Zhejiang Leihuo in respect of the procurement of chemical commodities amounted to approximately RMB100 million; and
- (v) the corresponding prevailing market price for the chemical commodities to be procured by our Group.

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7. Procurement of Goods from Chibang Rubber

On [●], our Group [entered] into a goods procurement framework agreement with Chibang Rubber (the “**Chibang Rubber Goods Procurement Framework Agreement**”), pursuant to which Chibang Rubber will supply to our Group rubber products as we may require for our trading business from time to time. Transactions under the Chibang Rubber Goods Procurement Framework Agreement will be conducted on normal commercial terms in the ordinary and usual course of business of our Group.

The initial term of the Chibang Rubber Goods Procurement Framework Agreement will commence on the [REDACTED] and will end on December 31, 2028, subject to renewal upon the mutual agreement of both parties thereto. Both parties or their respective subsidiaries will enter into separate underlying agreements which will set out the specific terms and conditions for the procurement of natural rubber related products according to the principles provided in Chibang Rubber Goods Procurement Framework Agreement.

Reasons for the transaction

Chibang Rubber is controlled as to 30% by Dunxin Four Bung, which is principally an investment holding platform and has invested in a number of bulk commodities trading companies. Through Dunxin Four Bung, we became acquainted with Chibang Rubber, and have historically sourced rubber products for our trading business from Chibang Rubber and have well-developed partnership with them. Chibang Rubber benefits from its geographical proximity to major rubber-producing regions, which enables it to provide our Group with a stable, reliable and consistent supply of rubber products. Entering into the Chibang Rubber Goods Procurement Framework Agreement allows our Group to secure a stable supply source, enhance transaction efficiency and better manage procurement planning.

Pricing terms and policies

The pricing relating to the procurement of rubber products from Chibang Rubber pursuant to the Chibang Rubber Goods Procurement Framework Agreement shall be determined based on arm’s length negotiation between our Group and Chibang Rubber with reference to: (i) market prices obtained by our Group from Independent Third Parties for the procurement of rubber products of similar grades, nature and quantity; (ii) relevant local industry index prices (including but not limited to the settlement price of the Shanghai Futures Exchange or the price index of the Singapore Commodity Exchange), (iii) quality characteristics required by us, (iv) associated transportation and logistics costs, (v) payment terms offered to us, and (vi) changes in applicable local policies. Before placing a purchase order with Chibang Rubber, we shall obtain at least two quotations for products of similar nature and quantities from Independent Third Parties in the same or nearby regions. Our Company will compare the terms offered by Chibang Rubber with the third-party quotations, and the transaction shall only be proceeded if the price is within the range of the prevailing market prices and the terms are to be no less favorable to our Group compared to those transactions between our Group and Independent Third Parties.

Historical amounts

For the years ended December 31, 2023, 2024 and 2025, and the five months ended May 31, 2026, the historical transaction amounts with respect to the procurement of rubber products from Chibang Rubber were approximately RMB55.0 million, RMB282.8 million, RMB209.6 million, and RMB54.2 million, respectively. The significant increase from 2023 to 2024 was driven by rising global rubber prices, stronger market demand and Chibang Rubber’s corresponding production expansion, while the subsequent decline resulted from its strategic reduction in supply to intermediate traders like us.

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Annual caps

The following table sets forth the proposed annual caps of the transaction amount to be paid to Chibang Rubber by us for our purchase of rubber products under the Chibang Rubber Goods Procurement Framework Agreement:

	Year ending December 31,		
	2026	2027	2028
	<i>(RMB in millions)</i>		
Total prices to be paid by us to Chibang Rubber	150	120	100

The proposed annual cap is determined with reference to, among other factors, the following factors:

- (i) the historical amounts of the transactions between our Group and Chibang Rubber during the Track Record Period in respect of our procurement of rubber products;
- (ii) the expected demand of our Group for rubber products from Chibang Rubber and other independent sourcing channels, taking into account our future business needs; and
- (iii) the corresponding prevailing market price for the rubber products to be procured by our Group.

8. Supply of Goods to Zhejiang Honors Energy

On [●], our Group [entered] into a good supply framework agreement with Zhejiang Honors Energy (the “**Zhejiang Honors Energy Supply Framework Agreement**”), pursuant to which our Group will supply to Zhejiang Honors Energy chemical and other commodities as they may require from time to time for its trading purpose. Transactions under the Zhejiang Honors Energy Supply Framework Agreement will be conducted on normal commercial terms in the ordinary and usual course of business of our Group.

The initial term of the Zhejiang Honors Energy Supply Framework Agreement will commence on the [REDACTED] and will end on December 31, 2028, subject to renewal upon the mutual agreement of both parties thereto. Both parties or their respective subsidiaries will enter into separate underlying agreements which will set out the specific terms and conditions for the supply of chemical and other commodities by our Group to Zhejiang Honors Energy according to the principles provided in Zhejiang Honors Energy Supply Framework Agreement.

Reasons for the transaction

Zhejiang Honors Energy is principally engaged in the trading of chemical products and agricultural products. We have historically supplied various chemical and other commodities, including, among others, lithium carbonate, styrene, and cotton to Zhejiang Honors Energy and have well-developed supply partnership with them. Our Group primarily supplied goods to Zhejiang Honors Energy through physical delivery transactions arising from commodity futures traded on the relevant commodity exchanges, while also undertaking direct supply arrangements. Given Zhejiang Honors Energy’s complementary procurement and sales channels with our Group as well as its familiarity with our business needs and quality standards, entering into the Zhejiang Honors Energy Supply Framework Agreement enables our Group to enhance transaction efficiency and better manage inventory and market risks.

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Pricing terms and policies

The pricing relating to the supply of chemical and other commodities by us to Zhejiang Honors Energy pursuant to the Zhejiang Honors Energy Supply Framework Agreement shall be determined based on arm’s length negotiations between our Group and Zhejiang Honors Energy, with reference to: (i) the prevailing market prices quoted by independent third parties for comparable commodities of similar grade, nature, and quantity, (ii) relevant local industry index prices, (iii) quality characteristics required by Zhejiang Honors Energy, (iv) associated transportation and logistics costs, (v) payment terms offered to us, and (vi) changes in applicable local policies. Before entering into a transaction with Zhejiang Honors Energy, we shall obtain at least two quotations for products of similar nature and quantities from Independent Third Parties in the same or nearby regions. Our Company will compare the terms offered by Zhejiang Honors Energy with the third-party quotations, and the transaction shall only be proceeded if the price is within the range of the prevailing market prices and the terms are to be no less favorable to our Group compared to those transactions between our Group and Independent Third Parties.

Historical amounts

For the years ended December 31, 2023, 2024 and 2025, and the five months ended May 31, 2026, the historical transaction amounts with respect to the supply of chemical and other commodities to Zhejiang Honors Energy were approximately RMB27.9 million, RMB79.3 million, RMB0.3 million, and nil, respectively. Since the supply of chemical and other commodities from our Group to Zhejiang Honors Energy are primarily secondary market activities settled through physical delivery of futures contracts on commodities exchanges, fluctuations in historical transaction amounts are primarily attributed to the variable nature of the futures delivery-based trading model adopted for supplies to Zhejiang Honors Energy, where transactions are contingent upon the randomness of warehouse matching and the overlap of commodity portfolios between our Group and Zhejiang Honors Energy on commodities exchanges.

Annual caps

The following table sets forth the proposed annual caps of the transaction amounts to be received by us from Zhejiang Honors Energy under the Zhejiang Honors Energy Supply Framework Agreement:

	Year ending December 31,		
	2026	2027	2028
	(RMB in millions)		
Total prices to be paid to our Group by Zhejiang Honors Energy	80	100	120

The proposed annual cap is determined with reference to, among other factors, the following factors:

- (i) the historical amounts of the transactions between our Group and Zhejiang Honors Energy during the Track Record Period in respect of our supply of chemical and other commodities;
- (ii) the expected continued expansion of Zhejiang Honors Energy’s business operations from 2026 to 2028, as evidenced by an approximately five-fold increase in its revenue for the five months ended May 31, 2026, as compared with its total revenue for the year ended December 31, 2025, which is expected to increase its demand for chemical and other commodities supplied by our Group;
- (iii) the expansion in the range of commodities demanded by Zhejiang Honors Energy, including PVC, glass and industrial silicon. Such broader range of commodities in respect of which both parties may hold deliverable futures positions, is expected to broaden the scope of potential transactions and increase the opportunities for warehouse matching and physical delivery transactions between the parties;

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- (iv) the expectation that a majority of the transactions will arise from physical delivery of commodity futures through the relevant commodity exchanges, together with an appropriate buffer to accommodate the inherent variability of such transactions, given that the timing, delivery volume, commodity mix and settlement value of individual deliveries cannot be precisely predetermined and individual deliveries may involve substantial transaction amounts; and
- (v) the corresponding prevailing market price for the chemical and other commodities to be supplied by our Group.

9. Zhejiang Honors Energy Financing Framework Agreement

On [●], our Group [entered] into a financing framework agreement with Zhejiang Honors Energy (the “**Zhejiang Honors Energy Financing Framework Agreement**”), pursuant to which we will provide loans to Zhejiang Honors Energy as they may require from time to time for its daily operating capital turnover, and Zhejiang Honors Energy shall repay the principal together with interest thereon. Transactions under the Zhejiang Honors Energy Financing Framework Agreement will be conducted on normal commercial terms in the ordinary and usual course of business of our Group.

The initial term of the Zhejiang Honors Energy Financing Framework Agreement will commence on the [REDACTED] and will end on December 31, 2028, subject to renewal upon the mutual agreement of both parties thereto. Both parties or their respective subsidiaries will enter into separate underlying agreements which will set out the specific terms and conditions for relevant financing transactions according to the principles provided in Zhejiang Honors Energy Financing Framework Agreement.

Reasons for the transaction

Our Group generally conducts unified external financing and internally allocates loans to our subsidiaries once they have the actual operating capital needs, thereby reducing our Group’s overall financing costs, enhancing fund utilization efficiency and effectively mitigating short-term funding shortfalls at the subsidiary level. Zhejiang Honors Energy is principally engaged in the trading of chemical products and agricultural products. As an integrated subsidiary within our Group’s ecosystem, Zhejiang Honors Energy plays a key role in supporting our Group’s trading operations, and its operational stability contributes to the effective execution of our Group’s overall trading strategy and transaction matching efficiency.

Pricing terms and policies

The interest rates applicable to the financing under the Zhejiang Honors Energy Financing Framework Agreement shall be determined on an arm’s length basis and from time to time, with reference to (i) the actual funding cost incurred by our Group in obtaining loans from independent commercial banks and other financial institutions, and (ii) interest rates for comparable loans of a similar tenor applicable to our other subsidiaries. Any specific financing agreement to be entered into pursuant to the Zhejiang Honors Energy Financing Framework Agreement shall be entered into on normal and no less favorable commercial terms as compared to the prevailing market price and terms for comparable financing activities.

Historical amounts

For the years ended December 31, 2023, 2024 and 2025, and the five months ended May 31, 2026, the historical transaction amounts with respect to the loans provided by us to Zhejiang Honors Energy were approximately RMB376 million, RMB134 million, RMB29.9 million, and RMB165.9 million, respectively, and the interest rates we charged to Zhejiang Honors Energy ranged from approximately 3.0% to 3.7%. The decrease in the amount of loans provided by our Company to Zhejiang Honors Energy during the relevant period was primarily attributable to the fact that, in 2024 and 2025, (i) based on the commercial arrangements negotiated with their suppliers, Zhejiang

CONNECTED TRANSACTIONS

Honors Energy, like other subsidiaries of our Group, was generally inclined to use letters of credit as the main settlement method for purchases; and (ii) Zhejiang Honors Energy’s procurement scale decreased due to its business strategy at the time, which reduced its demand for cash funding from us. As a result, the historical amounts of loans provided by our Company to Zhejiang Honors Energy decreased accordingly.

Annual caps

The following table sets forth the proposed annual caps of the maximum loans amount provided by our Group and the fees to be charged to us under the Zhejiang Honors Energy Financing Framework Agreement:

	Year ending December 31,		
	2026	2027	2028
	(RMB in millions)		
Maximum loans amount	250	300	350

The proposed annual cap is determined with reference to, among others, the following factors:

- (i) the historical transaction amounts incurred between our Group and Zhejiang Honors Energy in respect of the provision of loans during the Track Record Period;
- (ii) our Group has adopted a more prudent treasury management approach in response to the reduced preference among Zhejiang Honors Energy’s trading counterparties for settlement by letters of credit. As an increasing proportion of the relevant transactions are expected to be settled in cash instead, Zhejiang Honors Energy is expected to have greater working capital requirements and therefore require a higher level of cash funding support from our Group; and
- (iii) the expected funding requirements of Zhejiang Honors Energy arising from its role in supporting our Group’s commodity trading operations and its own business expansion, as reflected by the approximately five-fold increase in its recorded revenue as of May 31, 2026, compared to that for the entire financial year of 2025.

OUR NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

10. Procurement of Goods from Zhejiang Honors Energy

On [●], our Group [entered] into a goods procurement framework agreement with Zhejiang Honors Energy (the “**Zhejiang Honors Energy Procurement Framework Agreement**”), pursuant to which Zhejiang Honors Energy will supply to our Group certain commodities as we may require from time to time. Transactions under the Zhejiang Honors Energy Procurement Framework Agreement will be conducted on normal commercial terms in the ordinary and usual course of business of our Group.

The initial term of the Zhejiang Honors Energy Procurement Framework Agreement will commence on the [REDACTED] and will end on December 31, 2028, subject to renewal upon the mutual agreement of both parties thereto. Both parties or their respective subsidiaries will enter into separate underlying agreements which will set out the specific terms and conditions for the procurement of commodities according to the principles provided in Zhejiang Honors Energy Procurement Framework Agreement.

CONNECTED TRANSACTIONS

Reasons for the transaction

Zhejiang Honors Energy is principally engaged in the trading of chemical products and agricultural products. We have historically sourced various commodities, including, among others, non-ferrous metals, agricultural products and chemicals from Zhejiang Honors Energy and have well-developed procurement partnership with them. Our Group primarily procured goods from Zhejiang Honors Energy through physical delivery transactions arising from commodity futures traded on the relevant commodity exchanges, while also undertaking direct procurement arrangements. Considering that Zhejiang Honors Energy can effectively fulfill our Group’s demands in terms of volume and quality in a timely and reliable manner, maintaining such procurement partnership helps mitigate supply chain disruptions and market volatility risks, facilitating the conduct of our Group’s commodity trading business.

Pricing terms and policies

The pricing relating to the procurement of commodities from Zhejiang Honors Energy pursuant to the Zhejiang Honors Energy Procurement Framework Agreement shall be determined based on arm’s length negotiation between our Group and Zhejiang Honors Energy, with reference to: (i) the prevailing market prices quoted by independent third parties for comparable commodities of similar grade, nature, and quantity, (ii) relevant local industry index prices, (iii) quality characteristics required by us, (iv) associated transportation and logistics costs, (v) payment terms offered to us, and (vi) changes in applicable local policies. Before placing a purchase order with Zhejiang Honors Energy, we shall obtain at least two quotations for products of similar nature and quantities from Independent Third Parties in the same or nearby regions. Our Company will compare the terms offered by Zhejiang Honors Energy with the third-party quotations, and the transaction shall only be proceeded if the price is within the range of the prevailing market prices and the terms are to be no less favorable to our Group compared to those transactions between our Group and Independent Third Parties.

Historical amounts

For the years ended December 31, 2023, 2024 and 2025, and the five months ended May 31, 2026, the historical transaction amounts with respect to the procurement of commodities from Zhejiang Honors Energy were approximately RMB3,589 million, RMB451 million, RMB450 million, and RMB169.4 million, respectively. The decrease in historical transaction amounts was primarily attributable to changes in Zhejiang Honors Energy’s business focus and product portfolio, which limited their capacity to provide certain commodities required by our Group, such as industrial silicon, pulp, and natural rubber related commodities.

Annual caps

The following table sets forth the proposed annual caps of the transaction amounts to be paid to Zhejiang Honors Energy by us under the Zhejiang Honors Energy Procurement Framework Agreement:

	Year ending December 31,		
	2026	2027	2028
	(RMB in millions)		
Total prices to be paid by us to Zhejiang Honors Energy	600	600	600

CONNECTED TRANSACTIONS

The proposed annual cap is determined with reference to, among other factors, the following factors:

- (i) the historical amounts of the transactions between our Group and Zhejiang Honors Energy during the Track Record Period in respect of our procurement of commodities;
- (ii) the expected gradual restoration and enhancement of Zhejiang Honors Energy’s supply capacity from 2026 to 2028, as evidenced by an approximately five-fold increase in its revenue for the five months ended May 31, 2026, as compared with its total revenue for the year ended December 31, 2025;
- (iii) the anticipated growth in our overall procurement demand and the expansion in the range of commodities available for procurement from Zhejiang Honors Energy, including the resumption and newly introduction of polyvinyl chloride and glass. Such broader range of commodities in respect of which both parties may hold deliverable futures positions, is expected to broaden the scope of potential transactions and increase the opportunities for warehouse matching and physical delivery transactions between the parties;
- (iv) the expectation that a majority of the transactions will arise from physical delivery of commodity futures through the relevant commodity exchanges, together with an appropriate buffer to accommodate the inherent variability of such transactions, given that the timing, delivery volume, commodity mix and settlement value of individual deliveries cannot be precisely predetermined and individual deliveries may involve substantial transaction amounts; and
- (v) the corresponding prevailing market price for the commodities to be procured by our Group.

Listing Rules implications

As the highest applicable percentage ratio of the transactions contemplated under the Procurement of Goods from Zhejiang Honors Energy for the three years ending December 31, 2028 calculated for the purpose of Chapter 14A of the Listing Rules will exceed 5%, on an annual basis, such transactions will, upon the [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules, the announcement requirement under Rule 14A.35 of the Listing Rules and the independent Shareholders’ approval requirement under Rule 14A.36 of the Listing Rules.

INTERNAL CONTROL MEASURES

In order to ensure that the terms under relevant agreements for the continuing connected transactions are fair and reasonable, and no less favorable to us than terms available to or from Independent Third Parties, and the connected transactions are carried out under normal commercial terms, we have adopted and will continue to adopt, the following internal control procedures:

- we have adopted and implemented a management system on connected transactions; under such system, the Audit Committee under our Board is responsible for the review on compliance with relevant laws, regulations, our Company’s policies and the Listing Rules in respect of the continuing connected transactions; in addition, the Audit Committee under our Board, our Board and various internal departments of our Company are jointly responsible for evaluating the terms for the continuing connected transactions, in particular, the fairness of the pricing policies and annual caps under each transaction;
- the Audit Committee under our Board, our Board and various internal departments of our Company also regularly monitor the fulfillment status and the transaction updates;

CONNECTED TRANSACTIONS

- our independent non-executive Directors and auditors will conduct annual review of the continuing connected transactions under the relevant agreements and provide annual confirmation in accordance with Rules 14A.55 and 14A.56 of the Listing Rules; and
- our Company will continue to regularly conduct research in prevailing market conditions and practices and make reference to the pricing and terms between our Company and Independent Third Parties for similar transactions, to ensure that the pricing and terms offered by or to the above connected persons are fair, reasonable and are no less favorable than those offered to or from Independent Third Parties.

CONFIRMATION BY DIRECTORS

Our Directors (including independent non-executive Directors) are of the view that the continuing connected transactions set out above have been and will continue to be carried out in our ordinary and usual course of business of our Company and on normal commercial terms that are fair and reasonable and in the interests of our Company and our Shareholders as a whole, and that the proposed annual caps for the transactions are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

CONFIRMATION BY THE SOLE SPONSOR

The Sole Sponsor has (i) reviewed the relevant documents and information provided by our Company in relation to the aforesaid continuing connected transactions, (ii) obtained necessary representations and confirmations from our Company and our Directors, and (iii) participated in the due diligence and discussions with the management of our Group. Based on the above, the Sole Sponsor is of the view that the aforesaid continuing connected transactions, for which a waiver has been sought, have been entered into and will be carried out in the ordinary and usual course of our business on normal commercial terms or better terms, are fair and reasonable and in the interests of our Company and our Shareholders as a whole, and that the proposed annual caps in respect of such continuing connected transactions are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

WAIVER GRANTED BY THE STOCK EXCHANGE

In respect of the partially-exempt and non-exempt continuing connected transactions described above, we have applied for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the announcement requirements under the Listing Rules pursuant to Rule 14A.105 of the Listing Rules.