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## **Perennial Energy Holdings Limited**

**久泰邦達能源控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2798)**

### **RENEWAL OF CONTINUING CONNECTED TRANSACTIONS**

References are made to the announcements of the Company dated 16 December 2020 and 21 December 2020 in relation to, among other things, the 2020 Operations Agreement, 2020 Gas Supply Agreements and 2020 Electricity Supply Agreements.

As the current terms of the 2020 Operations Agreement, 2020 Gas Supply Agreements and 2020 Electricity Supply Agreements will expire on 31 December 2023, on 12 December 2023, the respective parties entered into the 2023 Operations Agreement, 2023 Gas Supply Agreements and 2023 Electricity Supply Agreements, subject to the terms and conditions therein, to, among other things, extend the respective terms of the agreements to 31 December 2026.

#### **LISTING RULES IMPLICATIONS**

##### **2023 Operations Agreement**

As at the date of this announcement, Guizhou Bangda is owned as to 90% and 10% by Mr. Yu Bangping and Mr. Yu Bangcheng, respectively. Mr. Yu Bangping is an executive Director. Also, (i) each of Mr. Yu Bangping and Mr. Yu Bangcheng is indirectly interested in approximately 61.2% and 7.2% shareholding interests in Spring Snow, respectively; and (ii) Spring Snow is interested in 54.0% Shares. Hence, Mr. Yu Bangping and Mr. Yu Bangcheng are regarded as the controlling shareholders of the Company. As such, Guizhou Bangda, an entity controlled by Mr. Yu Bangping and Mr. Yu Bangcheng, is regarded as a connected person of the Company under the Listing Rules. Accordingly, the transactions as contemplated under the 2023 Operations Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

## **2023 Gas Supply Agreements and 2023 Electricity Supply Agreements**

As at the date of this announcement, Guizhou Bangda (a connected person of the Company) has 48% equity interests in Guizhou Yue Bang. Hence, Guizhou Yue Bang is a connected person of the Company pursuant to the Listing Rules. Accordingly, the transactions as contemplated under each of the 2023 Gas Supply Agreements and 2023 Electricity Supply Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Chapter 14A of the Listing Rules, the transactions as contemplated under the 2023 Baogushan Gas Supply Agreement and the 2023 Hongguo Gas Supply Agreement shall be aggregated because both agreements are entered into by the Group with the same party (i.e. Guizhou Yue Bang), and the nature of transactions as contemplated under the 2023 Baogushan Gas Supply Agreement and the 2023 Hongguo Gas Supply Agreement are the same. Likewise, the transactions as contemplated under the 2023 Baogushan Electricity Supply Agreement and the 2023 Hongguo Electricity Supply Agreement shall be aggregated pursuant to Chapter 14A of the Listing Rules.

Since the highest applicable percentage ratio calculated with reference to the highest annual cap of the transactions contemplated under each of the 2023 Operations Agreement, 2023 Gas Supply Agreements and 2023 Electricity Supply Agreements is more than 0.1% but less than 5%, pursuant to Rule 14A.76(2)(a) of the Listing Rules, the continuing connected transactions as contemplated under the 2023 Operations Agreement, 2023 Gas Supply Agreements and 2023 Electricity Supply Agreements are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, but is subject to the reporting, announcement and annual review requirements.

## **I. INTRODUCTION**

References are made to the announcements of the Company dated 16 December 2020 and 21 December 2020 in relation to, among other things, the 2020 Operations Agreement, 2020 Gas Supply Agreements and 2020 Electricity Supply Agreements.

As the current terms of the 2020 Operations Agreement, 2020 Gas Supply Agreements and 2020 Electricity Supply Agreements will expire on 31 December 2023, on 12 December 2023, the respective parties entered into the 2023 Operations Agreement, 2023 Gas Supply Agreements and 2023 Electricity Supply Agreements, subject to the terms and conditions therein, to, among other things, extend the respective terms of the agreements to 31 December 2026.

## II. RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

### (1) 2023 Operations Agreement

#### (i) *The principal terms of the 2023 Operations Agreement*

Date:	12 December 2023
Parties:	(a) Jiutai Bangda (as the service recipient)  (b) Guizhou Bangda (as the service provider)
Subject:	Jiutai Bangda commissions Guizhou Bangda to temporarily store and load Jiutai Bangda's coal and coal side products on trains for onward transportation at Huajiazhuang Railway Logistics Centre (the " <b>Logistics Service</b> ") at a cost of RMB5 per tonne (tax inclusive).
Term:	1 January 2024 to 31 December 2026
Pricing policy:	The prices are determined with reference to the depreciation charge under a straight-line approach in relation to the Huajiazhuang Railway Logistics Centre related to the 2023 Operations Agreement. The terms and conditions are no less favourable to Jiutai Bangda than terms available from Independent Third Parties.  Pursuant to the 2023 Operation Agreement, Jiutai Bangda shall pay Guizhou Bangda a service fee of RMB5 per tonne (tax inclusive) for the Logistics Service.

To the best knowledge of the Directors, the service fee charged by Guizhou Bangda is the total storage cost incurred by Guizhou Bangda. In determining the total storage cost, a straight-line approach in calculating the depreciation charge in relation to the Huajiazhuang Railway Logistics Centre related to the 2023 Operations Agreement, which is valued at RMB200 million less the residual value of RMB10 million, based on a useful life of 20 years, is adopted and hence the depreciation charge of the warehouse is RMB9.5 million per year. Assuming 2 million tonnes of coal and coal side products will be delivered from the warehouse per year, the depreciation charge is RMB4.75 per tonne of coal and coal side products. Considering storage of coal and coal side products incurs miscellaneous expenses of RMB0.25 per tonne, the total storage cost charged by Guizhou Bangda is RMB5 per tonne.

Although there are some logistics centres (including the Huajiazhuang Railway Logistics Centre) that provide similar logistics services for coal mining companies in the Panzhou City area where the Group has operations, the Group selected the Huajiazhuang Railway Logistics Centre to provide logistics services since it is geographically closer to the Group's mines.

After taking into consideration the cost of transportation of coal and coal side products to and from the Huajiazhuang Railway Logistics Centre is lower than the transportation costs that would have been incurred in transporting coal and coal side products to and from the other logistics centres in the Panzhou City area, the Directors are of the view that the service fee charged by Guizhou Bangda for the Logistics Service is on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole.

(ii) *Historical transaction amounts and existing annual caps*

The table below sets out the historical transaction amounts and the existing annual caps for the Logistics Service provided by Guizhou Bangda to Jiutai Bangda under the 2020 Operations Agreement for each of the two years ended 31 December 2022 and for the year ending 31 December 2023:

For the year ended 31 December 2021		For the year ended 31 December 2022		For the year ending 31 December 2023	
Annual cap RMB'000	Actual amount RMB'000	Annual cap RMB'000	Actual amount RMB'000	Annual cap RMB'000	Actual amount up to 30 November 2023 RMB'000
5,000	3,656	5,500	3,515	6,050	1,706

The Board confirms that, as at the date of this announcement, the existing annual cap for the Logistics Service provided by Guizhou Bangda to Jiutai Bangda under the 2020 Operations Agreement for the year ending 31 December 2023 has not been exceeded.

(iii) *Proposed Annual Caps for Logistics Service*

The table below sets out the Proposed Annual Caps for Logistics Service under the 2023 Operations Agreement for the three years ending 31 December 2026:

Proposed Annual Caps for Logistics Service For the year ending 31 December		
2024 RMB'000	2025 RMB'000	2026 RMB'000
5,250	5,250	5,250

(iv) *Reasons for the Proposed Annual Caps for Logistics Service*

The Proposed Annual Caps for the Logistics Service have been determined with reference to:

- (i) the historical transaction amounts for the Logistics Service provided by Guizhou Bangda to Jiutai Bangda under the 2020 Operations Agreement; and

- (ii) the expected demand for the Logistics Service, after taking into consideration the annual production capacity of each of the Group's coal mines (including Baogushan Coal Mine, Hongguo Coal Mine and Xiejiahegou Coal Mine), in particular the expected increase in the production capacity of each of Baogushan Coal Mine and Hongguo Coal Mine from 600,000 tonnes to 1,200,000 tonnes per annum by 2024 and the expected proportion of customers' preference to use rail transport for delivery of coal and coal side products will remain constant in the three years ending 31 December 2026.

**(2) 2023 Gas Supply Agreements**

*(i) The principal terms of the 2023 Gas Supply Agreements*

	<b>2023 Baogushan Gas Supply Agreement</b>	<b>2023 Hongguo Gas Supply Agreement</b>
Date:	12 December 2023	12 December 2023
Parties:	(a) Guizhou Yue Bang (as the purchaser)  (b) Baogushan Coal Mine Branch (as the supplier)	(a) Guizhou Yue Bang (as the purchaser)  (b) Hongguo Coal Mine Branch (as the supplier)
Subject:	Baogushan Coal Mine Branch supplies all coalbed gas extracted from Baogushan Coal Mine to Guizhou Yue Bang at a price of RMB0.0688 for each kWh electricity generated (tax inclusive).	Hongguo Coal Mine Branch supplies all coalbed gas extracted from Hongguo Coal Mine to Guizhou Yue Bang at a price of RMB0.18/m <sup>3</sup> (tax inclusive).
Term:	1 January 2024 to 31 December 2026	1 January 2024 to 31 December 2026

**2023 Baogushan Gas Supply Agreement**      **2023 Hongguo Gas Supply Agreement**

Pricing policy:      The price of coalbed gas was agreed after arm's length negotiations between the parties with regard to the market price of coalbed gas of similar power generating capability and quality as that of the coalbed gas extracted from Baogushan Coal Mine or Hongguo Coal Mine (as appropriate). The terms and conditions are no less favourable to the Group than terms available from Independent Third Parties.

In determining the price for the sale of coalbed gas by the Group to Guizhou Yue Bang, the Group has made reference to the price charged by other coal mine which has similar arrangement with electricity station operator in the vicinity of the operations of the Group and considered that the price of coalbed gas charged by the Group is on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole.

Termination:      The 2023 Baogushan Gas Supply Agreement may be terminated by either Baogushan Coal Mine Branch or Guizhou Yue Bang by giving prior written notice to the other party in advance and the parties should decide on the terms and conditions of such termination by mutual agreement.      The 2023 Hongguo Gas Supply Agreement may be terminated by either Hongguo Coal Mine Branch or Guizhou Yue Bang by giving prior written notice to the other party in advance and the parties should decide on the terms and conditions of such termination by mutual agreement.

(ii) *Historical transaction amounts and existing aggregated annual caps*

The table below sets out the historical transaction amounts and the existing aggregated annual caps for the coalbed gas supplied by Baogushan Coal Mine Branch and Hongguo Coal Mine Branch under the 2020 Gas Supply Agreements for each of the two years ended 31 December 2022 and for the year ending 31 December 2023:

For the year ended 31 December 2021		For the year ended 31 December 2022		For the year ending 31 December 2023	
Aggregated annual cap RMB'000	Actual amount RMB'000	Aggregated annual cap RMB'000	Actual amount RMB'000	Aggregated annual cap RMB'000	Actual amount up to 30 November 2023 RMB'000
6,000	3,081	6,600	4,820	7,260	4,018

The Board confirms that, as at the date of this announcement, the existing aggregated annual cap for the coalbed gas supplied by Baogushan Coal Mine Branch and Hongguo Coal Mine Branch under the 2020 Gas Supply Agreements for the year ending 31 December 2023 has not been exceeded.

(iii) *Proposed Aggregated Annual Caps for Coalbed Gas Supply*

The table below sets out the Proposed Aggregated Annual Caps for Coalbed Gas Supply under the 2023 Gas Supply Agreements for the three years ending 31 December 2026:

Proposed Aggregated Annual Caps for Coalbed Gas Supply		
For the year ending 31 December		
2024 RMB'000	2025 RMB'000	2026 RMB'000
6,370	6,370	6,370

(iv) *Reasons for the Proposed Aggregated Annual Caps for Coalbed Gas Supply*

The Proposed Aggregated Annual Caps for Coalbed Gas Supply have been determined with reference to:

- (i) the historical transaction amounts for the coalbed gas supplied by Baogushan Coal Mine Branch and Hongguo Coal Mine Branch under the 2020 Gas Supply Agreements; and



- (ii) the expected increase in the production capacity of each of Baogushan Coal Mine and Hongguo Coal Mine from 600,000 tonnes to 1,200,000 tonnes per annum by 2024 and hence, it is expected that more coalbed gas will be released from the on-going mining activities within the mining areas.

**(3) 2023 Electricity Supply Agreements**

*(i) The principal terms of the 2023 Electricity Supply Agreements*

	<b>2023 Baogushan Electricity Supply Agreement</b>	<b>2023 Hongguo Electricity Supply Agreement</b>
Date:	12 December 2023	12 December 2023
Parties:	(a) B a o g u s h a n C o a l Mine Branch (as the purchaser)  (b) Guizhou Yue Bang (as the supplier)	(a) Hongguo Coal Mine Branch (as the purchaser)  (b) Guizhou Yue Bang (as the supplier)
Subject:	Guizhou Yue Bang supplies electricity generated at the Baogushan Coal Mine low-concentration methane gas power plant to Baogushan Coal Mine Branch at a price of RMB0.5038 for each kWh (tax inclusive).	Guizhou Yue Bang supplies electricity generated at the Hongguo Coal Mine low-concentration methane gas power plant to Hongguo Coal Mine Branch at a price of RMB0.5117 for each kWh (tax inclusive).
Term:	1 January 2024 to 31 December 2026	1 January 2024 to 31 December 2026

**2023 Baogushan Electricity  
Supply Agreement**

**2023 Hongguo Electricity  
Supply Agreement**

Pricing  
policy:

The price of electricity was agreed after arm's length negotiations between the parties with regard to the market price of electricity in the region where Baogushan Coal Mine or Hongguo Coal Mine (as appropriate) is located. Apart from Guizhou Yue Bang, the Group also purchases electricity from the Electricity Supply Bureau, an Independent Third Party. The terms and conditions are no less favourable to the Group than terms available from Independent Third Parties.

In determining the price of electricity, the Group has made reference to the price charged by the Electricity Supply Bureau and considered that the price of electricity charged by Guizhou Yue Bang are on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole.

Termination:

The 2023 Baogushan Electricity Supply Agreement may be terminated by either Baogushan Coal Mine Branch or Guizhou Yue Bang by giving prior written notice to the other party in advance and the parties should decide on the terms and conditions of such termination by mutual agreement.

The 2023 Hongguo Electricity Supply Agreement may be terminated by either Hongguo Coal Mine Branch or Guizhou Yue Bang by giving prior written notice to the other party in advance and the parties should decide on the terms and conditions of such termination by mutual agreement.

(ii) *Historical transaction amounts and existing aggregated annual caps*

The table below sets out the historical transaction amounts and the existing aggregated annual caps for the electricity supplied to Baogushan Coal Mine Branch and Hongguo Coal Mine Branch under the 2020 Electricity Supply Agreements for each of the two years ended 31 December 2022 and for the year ending 31 December 2023:

For the year ended 31 December 2021		For the year ended 31 December 2022		For the year ending 31 December 2023	
Aggregated annual cap <i>RMB'000</i>	Actual amount <i>RMB'000</i>	Aggregated annual cap <i>RMB'000</i>	Actual amount <i>RMB'000</i>	Aggregated annual cap <i>RMB'000</i>	Actual amount up to 30 November 2023 <i>RMB'000</i>
13,200	11,314	14,520	12,693	15,972	11,380

The Board confirms that, as at the date of this announcement, the existing aggregated annual cap for the electricity supplied to Baogushan Coal Mine Branch and Hongguo Coal Mine Branch under the 2020 Electricity Supply Agreements for the year ending 31 December 2023 has not been exceeded.

(iii) *Proposed Aggregated Annual Caps for Electricity Supply*

The table below sets out the Proposed Aggregated Annual Caps for Electricity Supply under the 2023 Electricity Supply Agreements for the three years ending 31 December 2026:

<b>Proposed Aggregated Annual Caps for Electricity Supply</b>		
<b>For the year ending 31 December</b>		
<b>2024</b>	<b>2025</b>	<b>2026</b>
<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
18,410	18,410	18,410

(iv) *Reasons for the Proposed Aggregated Annual Caps for Electricity Supply*

The Proposed Aggregated Annual Caps for Electricity Supply have been determined with reference to:

- (i) the historical transaction amounts for the electricity supplied to Baogushan Coal Mine Branch and Hongguo Coal Mine Branch under the 2020 Electricity Supply Agreements; and

- (ii) the expected increase in the production capacity of each of Baogushan Coal Mine and Hongguo Coal Mine from 600,000 tonnes to 1,200,000 tonnes per annum by 2024 and hence, there is an expected increase in the demand for the electricity resulting from the expansion of the mining business.

### **III. REASONS FOR AND BENEFITS OF THE RENEWAL OF THE TRANSACTIONS**

#### **2023 Operations Agreement**

Although there are some other logistics centres that provide similar logistics services for coal companies in the Panzhou City area where the Group has operations, the Huajiazhuang Railway Logistics Centre is geographically closer to the coal mines operated by the Group. Hence, the cost of transportation of coal and coal side products to and from the Huajiazhuang Railway Logistics Centre is lower than the transportation costs that would have been incurred in transporting coal and coal side products to and from the other logistics centres in the Panzhou City area. As such, the Directors are of the view that it is more cost efficient to the Group to engage Guizhou Bangda instead of other logistics centres to provide the Logistics Service.

#### **2023 Gas Supply Agreements and 2023 Electricity Supply Agreements**

Guizhou Yue Bang is an operator of electricity stations in the vicinity of the operations of the Group that utilizes coalbed gas for generating electricity. Each of Baogushan Coal Mine and Hongguo Coal Mine has a low-concentration methane gas power plant which is owned and operated by Guizhou Yue Bang. Guizhou Yue Bang purchases from Jiutai Bangda coalbed gas extracted from Baogushan Coal Mine and Hongguo Coal Mine. The coalbed gas is used by Guizhou Yue Bang to generate electricity to Jiutai Bangda with priority which ensure a secured and stable supply of electricity to Baogushan Coal Mine and Hongguo Coal Mine. Such arrangement not only enables the Group to generate revenue from the sale of coalbed gas, it also ensures the Group has a secured and stable supply of electricity to its coal mines. Therefore, the Directors are of the view that it is in the Group's interests to continue with such arrangement going forward.

The Directors (including the independent non-executive Directors) consider that each of the 2023 Operations Agreement, 2023 Gas Supply Agreements and 2023 Electricity Supply Agreements, the transactions contemplated thereunder and the Proposed Annual Caps are: (i) on normal commercial terms or better and in the ordinary and usual course of business of the Group; (ii) fair and reasonable; and (iii) in the interests of the Company and the Shareholders as a whole.

Since Guizhou Bangda is owned as to 90% by Mr. Yu Bangping and Guizhou Yue Bang is owned as to 48% by Guizhou Bangda, Mr. Yu Bangping and his son, Mr. Yu Zhilong, who were present at the Board meeting were not counted in the quorum and they have abstained from voting at the Board meeting to approve each of the 2023 Operations Agreement, 2023 Gas Supply Agreements, 2023 Electricity Supply Agreements and the Proposed Annual Caps. Save as disclosed above, none of the Directors attending the Board meeting has a material interest in or is required to abstain from voting on the 2023 Operations Agreement, 2023 Gas Supply Agreements, 2023 Electricity Supply Agreements and the Proposed Annual Caps.

#### **IV. LISTING RULES IMPLICATIONS**

##### **2023 Operations Agreement**

As at the date of this announcement, Guizhou Bangda is owned as to 90% and 10% by Mr. Yu Bangping and Mr. Yu Bangcheng, respectively. Mr. Yu Bangping is an executive Director. Also, (i) each of Mr. Yu Bangping and Mr. Yu Bangcheng is indirectly interested in approximately 61.2% and 7.2% shareholding interests in Spring Snow, respectively; and (ii) Spring Snow is interested in 54.0% Shares. Hence, Mr. Yu Bangping and Mr. Yu Bangcheng are regarded as the controlling shareholders of the Company. As such, Guizhou Bangda, an entity controlled by Mr. Yu Bangping and Mr. Yu Bangcheng, is regarded as a connected person of the Company under the Listing Rules. Accordingly, the transactions as contemplated under the 2023 Operations Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

##### **2023 Gas Supply Agreements and 2023 Electricity Supply Agreements**

As at the date of this announcement, Guizhou Bangda (a connected person of the Company) has 48% equity interests in Guizhou Yue Bang. Hence, Guizhou Yue Bang is a connected person of the Company pursuant to the Listing Rules. Accordingly, the transactions as contemplated under each of the 2023 Gas Supply Agreements and 2023 Electricity Supply Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Chapter 14A of the Listing Rules, the transactions as contemplated under the 2023 Baogushan Gas Supply Agreement and the 2023 Hongguo Gas Supply Agreement shall be aggregated because both agreements are entered into by the Group with the same party (i.e. Guizhou Yue Bang), and the nature of transactions as contemplated under the 2023 Baogushan Gas Supply Agreement and the 2023 Hongguo Gas Supply Agreement are the same. Likewise, the transactions as contemplated under the 2023 Baogushan Electricity Supply Agreement and the 2023 Hongguo Electricity Supply Agreement shall be aggregated pursuant to Chapter 14A of the Listing Rules.

Since the highest applicable percentage ratio calculated with reference to the highest annual cap of the transactions contemplated under each of the 2023 Operations Agreement, 2023 Gas Supply Agreements and 2023 Electricity Supply Agreements is more than 0.1% but less than 5%, pursuant to Rule 14A.76(2)(a) of the Listing Rules, the continuing connected transactions as contemplated under the 2023 Operations Agreement, 2023 Gas Supply Agreements and 2023 Electricity Supply Agreements are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, but is subject to the reporting, announcement and annual review requirements.

## V. INFORMATION OF THE PARTIES

Baogushan Coal Mine Branch and Hongguo Coal Mine Branch are branches of Jiutai Bangda. Jiutai Bangda is an indirect wholly-owned subsidiary of the Company and is principally engaged in the exploration and mining of coking coal and coal refinery in the PRC.

Guizhou Bangda, a company established under the laws of the PRC, is owned as to 90% by Mr. Yu Bangping and 10% by Mr. Yu Bangcheng and is a connected person of the Company. It is principally engaged in coal mining, and coal washing and processing and low-concentration methane gas power generation in the PRC.

Guizhou Yue Bang, a company established under the laws of the PRC, is owned as to 48% and 52% by Guizhou Bangda and Guangdong Energy Guizhou, respectively and is a connected person of the Company. Guizhou Yue Bang is principally engaged in methane gas power generation, purification and production of electricity and heat.

Guangdong Energy Guizhou is a wholly-owned subsidiary of 廣東省能源集團有限公司 (transliterated as Guangdong Energy Group Co., Ltd.\*) (“**Guangdong Energy Group**”). Guangdong Energy Group is owned as to 76% and 24% by 廣東恒健投資控股有限公司 (transliterated as Guangdong Hengjian Investment Holding Co., Ltd.\*) (“**Guangdong Hengjian**”) and 中國華能集團有限公司 (transliterated as China Huaneng Group Co., Ltd.\*) (“**China Huaneng**”), respectively. The entire equity interests in Guangdong Hengjian is held by 廣東省人民政府國有資產監督管理委員會 (transliterated as State-owned Assets Supervision and Administration Commission, the People's Government of Guangdong Province\*) and the entire equity interests in China Huaneng is held by 國務院國有資產監督管理委員會 (transliterated as State-owned Assets Supervision and Administration Commission of the State Council\*). Guangdong Energy Guizhou is principally engaged in the production of electricity and heat.

## VI. DEFINITIONS

Unless otherwise specified, the following terms shall have the following meanings in this announcement:

“2020 Electricity Supply Agreements”	collectively, the Baogushan electricity supply agreement entered into between Baogushan Coal Mine Branch and Guizhou Yue Bang on 16 December 2020 and the Hongguo electricity supply agreement entered into between Hongguo Coal Mine Branch and Panzhou Hongda on 16 December 2020, details of which are set out in the section headed “II. Continuing Connected Transactions – (3) 2020 Electricity Supply Agreements” in the Company’s announcement dated 16 December 2020
“2020 Gas Supply Agreements”	collectively, the Baogushan gas supply agreement entered into between Baogushan Coal Mine Branch and Guizhou Yue Bang on 16 December 2020 and the Hongguo gas supply agreement entered into between Hongguo Coal Mine Branch and Panzhou Hongda on 16 December 2020, details of which are set out in the section headed “II. Continuing Connected Transactions – (2) 2020 Gas Supply Agreements” in the Company’s announcement dated 16 December 2020
“2020 Operations Agreement”	the operations agreement entered into between Jiutai Bangda and Guizhou Bangda on 16 December 2020, details of which are set out in the section headed “II. Continuing Connected Transactions – (1) 2020 Operations Agreement” in the Company’s announcement dated 16 December 2020
“2023 Baogushan Electricity Supply Agreement”	the Baogushan electricity supply agreement dated 12 December 2023 and entered into between Baogushan Coal Mine Branch and Guizhou Yue Bang
“2023 Baogushan Gas Supply Agreement”	the Baogushan gas supply agreement dated 12 December 2023 and entered into between Baogushan Coal Mine Branch and Guizhou Yue Bang
“2023 Electricity Supply Agreements”	collectively, the 2023 Baogushan Electricity Supply Agreement and the 2023 Hongguo Electricity Supply Agreement

“2023 Gas Supply Agreements”	collectively, the 2023 Baogushan Gas Supply Agreement and the 2023 Hongguo Gas Supply Agreement
“2023 Hongguo Electricity Supply Agreement”	the Hongguo electricity supply agreement dated 12 December 2023 and entered into between Hongguo Coal Mine Branch and Guizhou Yue Bang
“2023 Hongguo Gas Supply Agreement”	the Hongguo gas supply agreement dated 12 December 2023 and entered into between Hongguo Coal Mine Branch and Guizhou Yue Bang
“2023 Operations Agreement”	the operations agreement dated 12 December 2023 and entered into between Jiutai Bangda and Guizhou Bangda
“Baogushan Coal Mine”	a coal mine located in Panzhou City, Guizhou Province, the PRC, which is wholly-owned and operated by Jiutai Bangda
“Baogushan Coal Mine Branch”	貴州久泰邦達能源開發有限公司盤縣紅果鎮苞谷山煤礦 (transliterated as Guizhou Jiutai Bangda Energy Development Co., Ltd. Hongguo Town Pan County Baogushan Coal Mine*), a branch of Jiutai Bangda
“Board”	the board of Directors
“Company”	Perennial Energy Holdings Limited (久泰邦達能源控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Electricity Supply Bureau”	六盤水盤州市供電局 (transliterated as Electricity Supply Bureau of Liupanshui Panzhou City*), a local power grid company of Liupanshui of Panzhou City and an Independent Third Party
“Group”	the Company and its subsidiaries



“Guangdong Energy Guizhou”	廣東省能源集團貴州有限公司 (transliterated as Guangdong Energy Group Guizhou Co., Ltd.*), an Independent Third Party
“Guizhou Bangda”	貴州邦達能源開發有限公司 (transliterated as Guizhou Bangda Energy Development Co., Ltd.*), a company established in the PRC with limited liability and is owned as to 90% by Mr. Yu Bangping and 10% by Mr. Yu Bangcheng and is a connected person of the Company
“Guizhou Yue Bang”	貴州粵邦綜合能源有限責任公司 (transliterated as Guizhou Yue Bang Integrated Energy Limited Liability Company*), a company established in the PRC with limited liability and is owned by Guizhou Bangda and Guangdong Energy Guizhou as to 48% and 52%, respectively, and is a connected person of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of China
“Hongguo Coal Mine”	a coal mine located in Panzhou City, Guizhou Province, the PRC, which is wholly-owned and operated by Jiutai Bangda
“Hongguo Coal Mine Branch”	貴州久泰邦達能源開發有限公司盤縣紅果鎮紅果煤礦 (transliterated as Guizhou Jiutai Bangda Energy Development Co., Ltd. Hongguo Town Pan County Hongguo Coal Mine*), a branch of Jiutai Bangda
“Huajiazhuang Railway Logistics Centre”	the railway logistics centre which is located in Huajiazhuang Village, Hongguo Town Pan County and is built and owned by Guizhou Bangda
“Independent Third Party(ies)”	party(ies) which is/are not connected person(s) of the Company (as defined in the Listing Rules) and is/are independent of and not connected with the Company and its connected persons
“Jiutai Bangda”	貴州久泰邦達能源開發有限公司 (transliterated as Guizhou Jiutai Bangda Energy Development Co., Ltd*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Yu Bangcheng”	one of the controlling shareholders of the Company and the brother of Mr. Yu Bangping
“Mr. Yu Bangping”	an executive Director and one of the controlling shareholders of the Company
“Panzhou Hongda”	盤州市紅達綜合能源有限公司 (transliterated as Panzhou Hongda Comprehensive Energy Co., Ltd.*), a company established in the PRC with limited liability. With effect from 30 October 2023, Guizhou Yue Bang absorbed and merged with Panzhou Hongda whereby Guizhou Yue Bang is the surviving company and inherits the business, liabilities, contracts and rights and obligations after completion of the merger. Prior to the aforementioned merger, Panzhou Hongda was owned by Guizhou Bangda and Guangdong Energy Guizhou, as to 49% and 51%, respectively, and was a connected person of the Company
“PRC”	the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Aggregated Annual Caps for Coalbed Gas Supply”	the proposed aggregated annual caps for coalbed gas supply as described in the section headed “II. Renewal of Continuing Connected Transactions – (2) 2023 Gas Supply Agreements – (iii) Proposed Aggregated Annual Caps for Coalbed Gas Supply” in this announcement
“Proposed Aggregated Annual Caps for Electricity Supply”	the proposed aggregated annual caps for electricity supply as described in the section headed “II. Renewal of Continuing Connected Transactions – (3) 2023 Electricity Supply Agreements – (iii) Proposed Aggregated Annual Caps for Electricity Supply” in this announcement
“Proposed Annual Caps”	collectively, the Proposed Annual Caps for Logistics Service, the Proposed Aggregated Annual Caps for Coalbed Gas Supply and the Proposed Aggregated Annual Caps for Electricity Supply

“Proposed Annual Caps for Logistics Service”	the proposed annual caps for Logistics Service as described in the section headed “II. Renewal of Continuing Connected Transactions – (1) 2023 Operations Agreement – (iii) Proposed Annual Caps for Logistics Service” in this announcement
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Spring Snow”	Spring Snow Management Limited, a controlling shareholder of the Company which directly holds 864,000,000 Shares, representing 54.0% of the total issued share capital of the Company as at the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xiejiahegou Coal Mine”	a coal mine located in Panzhou City, Guizhou Province, the PRC, which is wholly-owned and operated by Jiutai Bangda
“%”	per cent

\* *The English transliteration of the Chinese name(s) in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*

By order of the Board  
**Perennial Energy Holdings Limited**  
**Yu Bangping**  
*Chairman and Executive Director*

Hong Kong, 12 December 2023

*As at the date of this announcement, the executive Directors are Mr. Yu Bangping, Mr. Yu Zhilong, Mr. Wang Shize, Mr. Li Xuezhong, Mr. Lau Kai Ming and Mr. Yu Xiao; and the independent non-executive Directors are Mr. Fong Wai Ho, Mr. Punnya Niraan De Silva, Ms. Cheung Suet Ting, Samantha and Mr. Wang Xiufeng.*