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China Changbaishan International Holdings Limited
中國長白山國際控股有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 989)

FULLY EXEMPTED CONNECTED TRANSACTION IN RELATION TO THE FUNDING AGREEMENT

FUNDING AGREEMENT

The Board announces that on 12 January 2026, Ground Group HK, the Company, and Ka Yun entered into the Funding Agreement, pursuant to which Ground Group HK agreed to grant a credit facility of a total sum of up to HK$39,000,000 to the Group for the purpose of, among others, facilitating the preparation and implementation of the Restructuring.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of the Funding Agreement, the ultimate beneficial owners of Ground Group HK are primarily (i) Mr. Cui, who is the non-executive Director, a substantial shareholder of the Company and the father of Ms. Cui, a former executive director and a substantial shareholder of the Company; and (ii) Ms. Chai, the spouse of Mr. Cui and the mother of Ms. Cui. As such, Ground Group HK is a connected person of the Company. The entering into of the Funding Agreement constituted a connected transaction for the Company under Chapter 14A of the Listing Rules. However, since the Funding Agreement is (i) conducted on normal commercial terms or better; and (ii) not secured by the assets of the Group, in accordance with Rule 14A.90 of the Listing Rules, the Funding Agreement shall be fully exempted from the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE FUNDING AGREEMENT

The Board announces that on 12 January 2026, Ground Group HK as lender, and the Company and Ka Yun as co-borrowers entered into the Funding Agreement. The principal terms of the Funding Agreement are set out below.

Date

12 January 2026

Parties

(i) Ground Group HK, as lender

(ii) the Company and Ka Yun, as co-borrowers

Principal amount of the Funding

A term loan facility in an aggregate principal amount of HK$39,000,000. As of the date of this announcement, HK$3,264,403 of which has been drawn down.

Conditions precedent

The Funding Agreement is unconditional.

Availability Period

The availability period of the Funding shall be eighteen (18) months from the date of the Funding Agreement.

Purpose of Funding

The purpose of the Funding is to provide funding to facilitate (i) the preparation and implementation of the Restructuring; (ii) the Group's development of new business; and (iii) the working capital of the Group.

Interest and Repayment

The term loan facility under the Funding Agreement is interest-free and unsecured.

Upon the occurrence of any of the following, the Company and Ka Yun shall (i) cease using the Funding provided by Ground Group HK under the Funding Agreement; (ii) return the amount of the Funding provided by Ground Group HK under the Funding Agreement but not yet used as soon as reasonably practicable; or (iii) not require Ground Group HK to continue to provide any further funds to the co-borrowers, and the Funding Agreement shall terminate thereafter (without prejudice to the lender's claims for the amount of capital already drawn):

(i) The restructuring plan fails to obtain all the approvals or permits required under applicable laws and regulations (including but not limited to approvals from the courts, the Stock Exchange and the shareholders of the Company) within 24 months after the date of Funding Agreement; and

(ii) If any amount under Funding Agreement falls due on a non-business day in the place of designated payment, the due date shall be postponed to the next business day. If such next business day is the day of the next calendar month, the due date shall be postponed to the preceding business day. The borrowers agree to repay (or offset by issuing new Shares) the full amount of the Funding already provided by the lender no later than 12 January 2028.

First right for Ground Group HK to participate in the Restructuring

Considering the Funding provided by Ground Group HK to support the Restructuring, the Company shall give an exclusive right to Ground Group HK and/or its nominee to negotiate with the Company in respect of the Restructuring for a period of three (3)-months period from the date of the Funding Agreement or a longer period as otherwise agreed by the parties to the Funding Agreement ("**Exclusivity Period**").

During the Exclusivity Period and after the signing of the agreement(s) in relation to the Restructuring, subject to compliance with applicable laws, regulations and regulatory requirements (including but not limited to the Listing Rules and the Takeovers Code, if applicable), and subject to obtaining the necessary approvals from the Stock Exchange, the Company's Shareholders' meeting and/or creditors' meeting (if required):

(i) Ground Group HK may have the priority to require the Company to issue new Shares to Ground Group HK or its designee at a reasonable price determined through fair negotiation and with reference to the Company's financial condition at the time, in order to offset and/or settle the amount of capital contribution and/or debt actually provided or to be provided by Ground Group HK under the Funding Agreement and/or the agreement(s) in relation to the Restructuring; and

(ii) if the issuance of new Shares results in a further increase in the shareholding interests of Ground Group HK or its parties acting in concert, triggering a mandatory general offer obligation under Rule 26.1 of the Takeovers Code, Ground Group HK confirms that it will promptly issue and make such mandatory general offer as required by the Takeovers Code.

INFORMATION ON THE GROUP AND THE COMPANY

The Company is an investment holding company. The Group is principally engaged in property development and management, including planning designing, budgeting, licensing, contract tendering and contract administration and property investment in the PRC.

INFORMATION ON GROUND GROUP HK

Ground Group HK is a company incorporated in Hong Kong with limited liability and is wholly owned by 吉林省廣澤集團有限公司 (Jilin Ground Group Company Limited*), which is in turn wholly owned by 吉林省鑫廣澤投資控股有限公司 (Jilin Xin Guangze Investment Holding Company Limited*).

吉林省鑫廣澤投資控股有限公司 (Jilin Xin Guangze Investment Holding Company Limited*) is a company established in the PRC with limited liability and is owned as to approximately 94.84% by 吉林省廣訊投資有限公司 (Jilin Guangxun Investment Company Limited*) with the remaining equity interests owned by 吉林省新泉商貿有限公司(Jilin Xinquan Trading Company Limited*), 吉林省欣順商務諮詢有限公司 (Jilin Xinshun Business Consulting Company Limited*) and 吉林省諾美商務諮詢有限公司(Jilin Nuomei Business Consulting Company Limited*) as to approximately 5.04%, 0.06% and 0.06% respectively.

吉林省廣訊投資有限公司 (Jilin Guangxun Investment Company Limited*) is a company established in the PRC with limited liability and is owned as to approximately 96.86% by Mr. Cui, (of which approximately 95.60% is held in his personal capacity and approximately 1.26% is held through his wholly-owned company, namely, 吉林省東秀投資集團有限公司 (Jilin Dongxiu Investment Group Company Limited*) and as to approximately 3.14% by other parties through 吉林省天益商務諮詢有限公司 (Jilin Tianyi Business Consulting Company Limited*) .

吉林省新泉商貿有限公司 (Jilin Xinquan Trading Company Limited*) is a company established in the PRC with limited liability and is owned as to approximately 98.77% by 劉曉丹(Liu Xiaodan*) and approximately 1.23% by 吳紀雨 (Wu Jiyu*) respectively.

吉林省欣順商務諮詢有限公司 (Jilin Xinshun Business Consulting Company Limited*) is a company established in the PRC with limited liability and is owned as to 80.00% by Mr. Cong and 20.00% by 孫國華 (Sun Guohua*) respectively.

吉林省諾美商務諮詢有限公司 (Jilin Nuomei Business Consulting Company Limited*) is a company established in the PRC with limited liability and is owned as to 60.00% by 陳晨 (Chen Chen*) and 40.00% by 王大舒 (Wang Dashu*) respectively.

Ground Group HK is principally engaged in investment holdings.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, save for Mr. Cui and Mr. Cong and their respective associates, all entities or persons named under the section headed "INFORMATION ON GROUND GROUP HK" of this announcement are third parties independent of the Company and its connected persons.

INFORMATION ON KA YUN

Ka Yun Investments Limited (家潤投資有限公司) is an investment holding company incorporated in the British Virgin Islands and is an indirect wholly-owned subsidiary of the Company.

REASONS AND BENEFITS FOR THE ENTERING INTO OF THE FUNDING AGREEMENT

The Funding Agreement serves as a critical part of the Restructuring plan, which provides the Group with the necessary financial resources to resolve the debts of the Company by the implementation of the Restructuring; and to facilitate the Group's development in new business and working capital.

Taking into account of (i) the severe liquidity shortage and financial distress situation of the Group, resulting in a genuine and imminent need of the Company to implement the Restructuring; and (ii) the willingness of Ground Group HK to provide funding for corporate rescue attempt, the Company considers that the entering into of the Funding Agreement will facilitate the Restructuring. In light of the above, the Board is of the view that the terms of the Funding Agreement are fair and reasonable, and are in the interest of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of the Funding Agreement, the ultimate beneficial owners of Ground Group HK are primarily (i) Mr. Cui, who is the non-executive Director, a substantial shareholder of the Company and the father of Ms. Cui, a former executive director and a substantial shareholder of the Company; and (ii) Ms. Chai, the spouse of Mr. Cui and the mother of Ms. Cui. As such, Ground Group HK is a connected person of the Company. The entering into of the Funding Agreement constituted a connected transaction for the Company under Chapter 14A of the Listing Rules. However, since the Funding Agreement is (i) conducted on normal commercial terms or better; and (ii) not secured by the assets of the Group, in accordance with Rule 14A.90

of the Listing Rules, the Funding Agreement shall be fully exempted from the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

Unless the context requires otherwise, capitalised terms used in this announcement shall have the following meanings:

"associates"	has the meaning ascribed to it under the Listing Rules
"Board"	Board of Directors
"Company"	China Changbaishan International Holdings Limited, a company incorporated in Bermuda with limited liability. (stock code: 989)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"Funding"	credit facility for a total sum of up to HK$39,000,000 to be provided by Ground Group HK to the Company and Ka Yun pursuant to the terms and conditions of the Funding Agreement
"Funding Agreement"	the funding agreement dated 12 January 2026 entered into among Ground Group HK as lender, the Company and Ka Yun as co-borrowers in relation to a credit facility in the amount of HK$39,000,000
"Ground Group HK"	Ground Group (Hong Kong) Company Limited, a company incorporated in Hong Kong with limited liability and is wholly owned by 吉林省廣澤集團有限公司 (Jilin Ground Group Company Limited*)
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Ka Yun"	Ka Yun Investments Limited (家潤投資有限公司), a company incorporated in the British Virgin Islands and is an indirect wholly-owned subsidiary of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Cong"	Mr. Cong Peifeng, an executive Director
"Mr. Cui"	Mr. Cui Mindong, a non-executive Director and the father of Ms. Cui

"Ms. Chai"	Ms. Chia Xiu, the spouse of Mr. Cui and the mother of Ms. Cui
"Ms. Cui"	Ms. Cui Xintong, a former executive director and a substantial shareholder of the Company and the daughter of Mr. Cui and Ms. Chai
"PRC"	the People's Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau Administrative Region of the People's Republic of China and Taiwan
"Restructuring"	the restructuring of the capital, business and indebtedness of the Company
"Share(s)"	the share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the issued Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers issued by the SFC
"%"	per cent.

For and on behalf of
China Changbaishan International Holdings Limited
Ng Man Kit Micky
Company Secretary

Hong Kong, 12 January 2026

As at the date of this announcement, the Executive Directors are Mr. Xu Yingchuan (Acting Chairperson), Mr. Li Junjie and Mr. Cong Peifeng; the Non-executive Directors are Mr. Cui Mindong and Mr. Chiu Sin Nang, Kenny; and the Independent Non-executive Directors are Mr. Tsang Hung Kei, Mr. Wang Xiaochu and Ms. Wang Meirong.

** For identification purposes only*