THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **YCIH Green High-Performance Concrete Company Limited**, you should at once hand this circular as well as relevant form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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雲建綠砼

— GHPC —

YCIH Green High-Performance Concrete Company Limited

雲南建投綠色高性能混凝土股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1847)

(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2026-2028 PRODUCTS SALES FRAMEWORK AGREEMENT; AND (2) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2026-2028 RAW MATERIALS, PRODUCTS AND SERVICES PROCUREMENT FRAMEWORK AGREEMENT AND NOTICE OF THE EGM

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

VBG Capital Limited

A letter from the Board is set out on pages 5 to 22 of this circular. A letter from the Independent Board Committee containing its advice to the Independent Shareholders is set out on pages 23 to 24 of this circular. A letter from the Independent Financial Adviser VBG Capital Limited containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 25 to 40 of this circular.

The Company intends to convene the EGM at 10:00 a.m. on Friday, February 6, 2026 at Conference Room No. 908, 9/F, YCIH Development Building, 188 Linxi Road, Information Industrial Base, Economic and Technological Development Zone, Kunming, Yunnan Province, the PRC. The notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular.

Enclosed herewith is a form of proxy for use at the EGM, such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (https://www.ynhnt.com).

If you intend to appoint a proxy to attend the EGM, you are required to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same. The form of proxy should be returned to the H Share Registrar for holders of H Shares, or to the Board office of the Company for holders of Domestic Shares, in any event served by hand, by post or by fax not less than 24 hours before the time designated for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof.

January 19, 2026

CONTENTS

Page

Definitions 1

Letter from the Board 5

Letter from Independent Board Committee 23

Letter from VBG Capital 25

Appendix – General Information App-1

Notice of the EGM EGM-1

In this circular, unless the context otherwise requires, the following terms and expressions have the meanings set forth below:

"2023 Products Sales Framework Agreement"	the products sales framework agreement entered into between the Company and YCIH on October 31, 2022, pursuant to which the Group agreed to sell concrete, aggregates and other products to YCIH and its associates
"2023 Raw Materials, Products and Services Procurement Framework Agreement"	the raw materials, products and services procurement framework agreement entered into between the Company and YCIH on October 31, 2022, pursuant to which the Group agreed to procure raw materials, products and services from YCIH and its associates
"2026-2028 Products Sales Framework Agreement"	the products sales framework agreement entered into between the Company and YCIH on November 17, 2025, pursuant to which the Group agreed to sell building materials, solid waste and new materials, and other products to YCIH and its associates
"2026-2028 Raw Materials, Products and Services Procurement Framework Agreement"	the raw materials, products and services procurement framework agreement entered into between the Company and YCIH on November 17, 2025, pursuant to which the Group agreed to procure raw materials, products and services from YCIH and its associates
"Articles of Association"	the Articles of Association of YCIH Green High-Performance Concrete Company Limited (as amended, modified or otherwise supplemented from time to time)
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors of the Company
"China" or "PRC" or "State"	the People's Republic of China, which for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region
"Company"	YCIH Green High-Performance Concrete Company Limited (雲南建投綠色高性能混凝土股份有限公司)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company

"Domestic Share(s)"	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
"EGM"	the extraordinary general meeting to be convened by the Company to consider and approve the two connected transactions
"Group"	the Company and its subsidiaries
"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"H Share(s)"	overseas listed foreign invested ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Stock Exchange and subscribed for and traded in Hong Kong Dollars
"High-tech Enterprise(s)"	the knowledge-intensive and technology-intensive economic entity(ies) that continuously carry(ies) out research and development as well as transformation of technological achievements under the High and New Technology Areas with Key State Support issued by the State and form(s) independent core intellectual property rights and carry(ies) out business activities on this basis
"HKD" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent board committee, comprising all independent non-executive Directors (namely Mr. Wong Kai Yan Thomas, Mr. Yu Dingming and Mr. Li Hongkun), established to advise the Independent Shareholders in respect of the two connected transactions
"Independent Financial Adviser" or "VBG Capital"	VBG Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser appointed by the Company to advise to the Independent Board Committee and the Independent Shareholders in respect of the two connected transactions
"Independent Shareholders"	Shareholders who are not required to abstain from voting at the EGM, i.e., Shareholders other than YCIH and its associates

"independent third party(ies)"	person(s) or entity(ies) which, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is (are) not considered as connected person(s) of the Company under the Hong Kong Listing Rules
"KMEIC"	Kunming Economic-Technological Development Zone Investment & Development (Group) Co., Ltd.* (昆明經濟技術開發區投資開發(集團)有限公司), holding 7.25% equity interest of the Company as at the Latest Practicable Date
"Latest Practicable Date"	January 19, 2026, being the latest practicable date prior to the finalization of this circular for the purpose of ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"percentage ratio(s)"	has the meaning ascribed to it under the Listing Rules
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising H Shares and Domestic Shares
"Shareholder(s)"	the holder(s) of the share(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed to it under Part XV of the SFO
"the 15th Five-Year Plan"	the 15th Five-Year Plan for Economic and Social Development of the PRC (2026-2030)

"two connected transactions"	(i) continuing connected transactions in relation to the 2026-2028 Products Sales Framework Agreement; and (ii) continuing connected transactions in relation to the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement
"YCIH"	Yunnan Construction and Investment Holding Group Co., Ltd.* (雲南省建設投資控股集團有限公司), the controlling shareholder of the Company under the meaning of the Listing Rules
"YCIH Group"	YCIH and its subsidiaries
"YOIC"	Yunnan Provincial Overseas Investment Co., Ltd.* (雲南省海外投資有限公司), a limited liability company established in the PRC, a wholly-owned subsidiary of YCIH and a controlling shareholder of the Company
"Yunnan Province"	Yunnan Province, the PRC
"Yunnan SASAC"	State-Owned Assets Supervision and Administration Commission of Yunnan Provincial People's Government (雲南省人民政府國有資產監督管理委員會)
"%"	per cent



YCIH Green High-Performance Concrete Company Limited
雲南建投綠色高性能混凝土股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1847)

Executive Directors:
Mr. Li Zhangjian
Mr. Zhang Long
Mr. Liu Zhen
Ms. Wang Fang *(employee Director)*

Non-executive Directors:
Ms. Yang Jia
Mr. Jin Ming

Independent non-executive Directors:
Mr. Wong Kai Yan Thomas
Mr. Yu Dingming
Mr. Li Hongkun

Registered Office:
YCIH Zhaotong Development Building
Zhaotong Avenue
Zhaoyang District, Zhaotong
Yunnan Province, the PRC

Headquarters in the PRC:
5/F and 9/F, YCIH Development Building
188 Linxi Road
Information Industrial Base
Economic and Technological Development Zone, Kunming
Yunnan Province, the PRC

Principal Place of Business in Hong Kong:
31/F, Tower Two, Times Square
1 Matheson Street, Causeway Bay
Hong Kong

To the Shareholders:

Dear Sir/Madam,

(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2026-2028 PRODUCTS SALES FRAMEWORK AGREEMENT; AND
(2) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2026-2028 RAW MATERIALS, PRODUCTS AND SERVICES PROCUREMENT FRAMEWORK AGREEMENT
AND
NOTICE OF THE EGM

I. INTRODUCTION

Reference is made to the announcement of the Company dated November 18, 2025, in relation to, among others, the Company's two connected transactions. When considering the resolutions related to the aforementioned two connected transactions, please read this circular carefully.

The purpose of this circular is to give you notice of the EGM and to provide you with further information in relation to the following resolutions to be proposed at the EGM to enable you to make an informed decision on whether to vote for or against or abstain from voting on such resolutions at the EGM. Such resolutions and the relevant details are set out in this letter from the Board.

II. DETAILS OF EACH CONTINUING CONNECTED TRANSACTION TO BE CONSIDERED AT EGM

(I) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2026-2028 PRODUCTS SALES FRAMEWORK AGREEMENT

1. Background

References are made to the announcement and the circular of the Company dated October 31, 2022 and December 8, 2022, respectively, in relation to, among others, the existing continuing connected transactions under the 2023 Products Sales Framework Agreement.

As the term of the 2023 Products Sales Framework Agreement expired on December 31, 2025, the Company and YCIH entered into the 2026-2028 Products Sales Framework Agreement on November 17, 2025 to renew the 2023 Products Sales Framework Agreement.

2. Details of 2026-2028 Products Sales Framework Agreement

A. Parties

(i) the Company (the seller, for itself and on behalf of its subsidiaries); and

(ii) YCIH (the purchaser, for itself and on behalf of its associates).

B. Principal terms

On November 17, 2025, the Company entered into the 2026-2028 Products Sales Framework Agreement with YCIH, pursuant to which the Company agreed to sell building materials (including concrete, aggregates, admixtures, prefabricated components), solid waste and new materials, and other products to YCIH. The 2026-2028 Products Sales Framework Agreement shall become effective from January 1, 2026 upon the Company obtaining the approval of the Independent Shareholders at the EGM, and shall remain valid until December 31, 2028.

During the term of the 2026-2028 Products Sales Framework Agreement, the relevant parties will enter into specific written agreements which specify and record the terms and provisions of the specific sales transactions to be conducted in accordance with the principles and terms of the 2026-2028 Products Sales Framework Agreement in all material aspects.

C. Pricing guidelines

Under the 2026-2028 Products Sales Framework Agreement, and in line with the Group's customary practices, the price of the products shall be determined as follows:

(i) the price of the products shall be determined in accordance with the pricing policies and guidelines adopted and regularly reviewed by the Group for the sales of products to all customers with reference to upstream materials and product prices and other costs, and be generally in line with the prevailing market price at which the same type of products is provided by the Group to an independent third party customer on normal commercial terms; the following factors will be taken into account to determine the prevailing market price: the price the Group offers to the independent third party customers for the same type of products, the payment terms, the specific requirements of the parties, the quality of the products required and the geographical areas where the products are provided, etc., to ensure the price will be no less favorable to the Group than that of the same type of products it provides to independent third party customers. Generally, unless the project is located in a particularly remote area or there are no projects of a similar scale and requirements in the vicinity, the Group will, in principle, refer to quotations from no fewer than two independent third party customers offering similar products; and

(ii) if the project is located in a particularly remote area, is exceptionally large in scale, or involves stringent requirements (such as the need for large-scale supply within a short period, exceptionally high concrete strength grades, or the need for multiple special characteristics, etc.) such that no comparable market price can be taken, experts in the Group with sufficient industry experience shall opine on the fairness and reasonableness of the price with reference to the comparable prices and/or historical transaction prices of the most similar items to ensure the price would be fair and reasonable to the Group and no less favorable than the price the Group offers to independent third party customers.

D. Internal control and corporate governance measures

The Company will adopt the following methods and procedures to ensure adherence to the aforesaid pricing policies and guidelines:

(i) the Company shall establish a marketing management center, which is responsible for managing the business operations of the Group. In the course of daily operations, the operational staff of each grassroots unit will conduct extensive on-site visits or utilize online channels and existing clients and projects to investigate and understand where and when projects of varying scales may be constructed, thereby continuously expanding the scope of tracked projects. At the same time, operational staff will also investigate and understand the specific construction progress and schedules of ongoing projects, as well as information such as quotations submitted by other companies in the same industry or transaction prices on other projects. Such projects and information on prices, together with the Group’s historical quotes offered to independent third party customers as well as the actual transaction prices will be consolidated into an operations ledger established and overseen by the marketing management center,

with daily updates provided by the operational staff of grassroots units. Operational staff at different levels will be granted hierarchical operation authority to this ledger. Prior to each quotation, operational staff will refer to the operations ledger to ensure that their quotations are not lower than those offered to independent third party customers. Furthermore, the Group obtains timely insights into market and industry developments by participating in industry organizations. As at the Latest Practicable Date, the industry organizations in which the Group participates include: China Concrete & Cement-based Products Association (中國混凝土與水泥製品協會) (where the Company serves as vice president unit), the Ready-mixed Concrete Branch of the China Concrete & Cement-based Products Association (中國混凝土與水泥製品預拌混凝土分會) (where the Company serves as council member unit), and the Kunming Bulk Cement and Commercial Concrete Association (昆明市散裝水泥商品混凝土協會) (where the Company and certain subsidiaries are member unit);

(ii) at the beginning of each month, the cost control center of the Company issues Guidance Price List for Sales Price of Concrete (《混凝土銷售價格指導價表單》) according to Price Information for Construction and Engineering Material and Equipment of Yunnan Province (Periodical) (《雲南省建設工程材料及設備價格信息》(期刊)) and Price Guidance Information for Construction and Engineering Material and Equipment of Kunming (《昆明市建設工程材料及設備價格指導信息》), and the marketing management center fills in the sales guidance price for the month in conjunction with the actual market situation, and releases it to all grassroots units after approval by the responsible leader and general manager;

(iii) when negotiating each transaction agreement to be entered into under the 2026-2028 Products Sales Framework Agreement, pricing related documents such as quotation sheets, if required by customers, shall be approved in the following manners: (a) the grassroots units will submit the basic information to cost control center, determine the price according to the market situation and fill evaluation record of quotation sheets; and (b) the evaluation record of quotation sheets will be reviewed by the marketing management center and cost control center and then in turn approved by deputy general manager and general manager in charge of operation. Quotations for projects meeting certain thresholds are also subject to approval by the chairman of the Company;

(iv) each agreement to be entered into under the 2026-2028 Products Sales Framework Agreement shall be assessed and reviewed by the general manager and approved by the chairman of the Company to ensure that the sales prices and other principal terms are in accordance with normal commercial terms as well as the Company's pricing policies and guidelines; and

(v) the Company's enterprise management department shall be responsible for monitoring the continuing connected transactions conducted under the 2026-2028 Products Sales Framework Agreement and shall collect information of actual transactions on a quarterly basis to review and assess whether the transactions are conducted in accordance with the terms of their respective agreements and ensure that the actual transaction amounts do not exceed the proposed annual caps.

3. Payment Terms

The payment arrangements for the connected transactions under the 2026-2028 Products Sales Framework Agreement are expected to be as follows: in accordance with the settlement statements processed monthly by the purchaser and seller for purchases/sales, 70% of the total price of products supplied in the previous

month generally shall be paid to the seller (the Group) by the purchaser (YCIH and its associates) on fixing date each month. The remaining balance shall be settled within one year after the completion of concrete casting of the main structure of the project and the qualification of 28-day strength test (a test for quality assurance) on standard test specimen under the witness of the purchaser, the seller, and the project supervisors. Payment methods are generally flexible. Payment may be made through various methods including direct remittance, transfer, cash, bank acceptance bills, factoring products.

4. Historical Annual Caps, Actual Transaction Amounts and Proposed Annual Caps

A. Historical annual caps and actual transaction amounts

The historical annual caps, actual transaction amounts and the utilization rate of the annual caps for the sales of products to YCIH and its associates for each of the three years ended December 31, 2022, 2023 and 2024 and for the nine months ended September 30, 2025 are as follows:

Unit: RMB million

		Year ended December 31,			Nine months ended September 30,
		2022	**2023**	**2024**	**2025**
Sales of products to YCIH and its associates	Annual caps	3,900	2,497	2,714	2,954[Note 1]
	Actual transaction amounts	1,137	997	460	499
	Utilization rate of the annual caps	29%	40%	17%	23%[Note 2]

Note 1: The annual cap is applicable for the year ended December 31, 2025.

Note 2: The utilization rate is the expected utilization rate of the 2025 annual cap. The low utilisation rate is due to: when the 2025 annual cap was determined at the end of 2022, the market generally anticipated a rapid economic and construction industry recovery following the COVID-19 pandemic. Consequently, the Company expected a significant performance improvement in 2025, with a corresponding substantial increase in sales of products to YCIH and its associates. However, due to policy adjustments affecting the real estate sector and government investments, the Company's results declined in both 2023 and 2024. Although the expected total operating income for 2025 has rebounded, it remains significantly lower than the expectations made when the annual caps were determined. The actual amounts for sales of products to YCIH and its associates are also substantially lower than the expectations made when the annual caps were determined.

B. Proposed annual caps

The proposed annual caps for the sales of products to YCIH and its associates for each of the three years ending December 31, 2026, 2027 and 2028 are as follows:

Unit: RMB million

	Year ended December 31,		
	2026	**2027**	**2028**
Sales of products to YCIH and its associates	1,031	1,145	1,231

5. Basis of Determination of the Proposed Annual Caps

In arriving at the proposed annual caps for the sales of products to YCIH and its associates under the 2026-2028 Products Sales Framework Agreement for the three years ending December 31, 2026, 2027 and 2028, the Directors considered the following:

(i) based on the expected actual transaction amounts and the estimated utilization rate of the annual cap for 2025 have rebounded compared to 2024, the Company anticipates a further increase in both the actual transaction amounts and the utilization rate of annual caps for 2026-2028. Considering that the historical maximum utilization rate of actual annual caps for sales of products to YCIH and its associates during periods of the increase in operating results (i.e., 2019-2020) was 92%, to ensure a certain buffer space for future annual caps and to maximize their actual utilization rates, the Company forecasts that the utilization rate of annual caps for 2026-2028 will be approximately 70%, and puts forward the proposed annual caps based on the expected transaction amounts (see below); and

(ii) the expected growth in the sales of products to YCIH and its associates for the three years ending December 31, 2026, 2027 and 2028, after comprehensive consideration of various factors including:

(a) the national plans for future economic development. According to the recommendations of the Central Committee of the Communist Party of China on formulating the 15th Five-Year Plan for National Economic and Social Development, one of the main objectives for economic and social development during the period of "the 15th Five-Year Plan" is to achieve significant progress in high-quality development, with economic growth maintained within a reasonable range. Additionally, the State has outlined overall plans for building a modern infrastructure system, promoting high-quality development in the real estate sector, and expanding effective investment. These initiatives will provide a favorable external environment for the future development of the Group;

(b) the expected growth in transaction amounts with YCIH and its associates. With the gradual stabilization of construction and building materials sector, and the robust upward trend of macroeconomy, Yunnan Province still retains certain late-development advantages in economic development. Moreover, the Group has seen growth in interim results of 2025, as compared with the same period of 2024, and in line with the Group's existing contracts and projects under pursuit [Note] so that the transaction amounts between the Group and connected parties are expected to increase

(however, the Group will also continue to expand its independent third-party customer base to ensure that the proportion of connected transactions remains within a reasonable range for the Group). Among these, the transaction amounts for 2026 are projected to be approximately RMB722 million (an increase of approximately 5% compared to the expected transaction amounts of approximately RMB685 million for 2025), with further growth anticipated for 2027 and 2028 based on the 2026 figures.

Note: As of September 30, 2025, the amount of existing contracts of the Group was approximately RMB928 million. The amount of newly signed contracts for the fourth quarter of 2025 is expected to amount to approximately RMB710 million. By the end of 2025, it is expected that contracts with a total amount of approximately RMB1,230 million will be carried forward to future years. Among these, the contract value attributable to YCIH and its associates amounted to approximately RMB850 million. Based on the projected carry-over projects, the Company expects that amounting to approximately RMB610 million, will be recognized as operating income for 2026. Concurrently, the Group is facilitating major or key projects including the Deqin County Relocation Project, the Shenbi Garden Construction Project in Anning City, the Urban Village Renovation Project in Wuli District, and the Zhangji District Eastern Warehouse and Logistics Center Construction Project, which collectively involve a demand for approximately 1.49 million cubic meters of commercial concrete. Among these, the demand attributable to projects from YCIH and its associates amounts to approximately 1.35 million cubic meters, and only the Deqin County Relocation Project is expected to generate approximately RMB112 million operating income in 2026.

6. Reasons for and Benefits of Entering into the 2026-2028 Products Sales Framework Agreement

The Directors are of the view that the transactions under the 2026-2028 Products Sales Framework Agreement are beneficial to the Group for the following reasons:

(i) the Group and YCIH and/or its associates have developed a long-term relationship. Through years of cooperation, the Company believes that YCIH and the Group have a mutual understanding of each other's planning of operation, quality control as well as specific requirements, which will enable smooth operation and help save costs;

(ii) the Group is among the few that has the capabilities to provide reliable and sufficient supply to meet the substantial needs of YCIH and its associates in their construction business operations. The Group is also capable of the research and development, design and production of different types of concrete in order to satisfy the requirements of the different projects of YCIH and its associates;

(iii) while the Group's independent third party customers are carefully selected based on a number of factors including their creditworthiness, the Company believes that the risk of default by YCIH and its associates is even less than that of the Group's independent third party customers, as YCIH and its associates are primarily state-owned enterprises in the PRC. Furthermore, by supplying its products to YCIH and its associates that often undertake high profile and demanding projects in Yunnan Province, the Company believes that it can build up its own profile and boost its reputation among its existing and potential customers; and

(iv) the prices and terms for the sales of products by the Group to YCIH and its associates would be no less favorable than those the Group offers to independent third party customers.

The Directors (including independent non-executive Directors but excluding the connected Director as described below, namely Ms. Yang Jia) are of the view that the terms of the 2026-2028 Products Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor) are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

Ms. Yang Jia, a non-executive Director, who holds a position with YCIH Group, has abstained from voting on the Board resolution in relation to the 2026-2028 Products Sales Framework Agreement. Save as disclosed above, none of the Directors has a material interest in the 2026-2028 Products Sales Framework Agreement and the transactions contemplated thereunder or is required to abstain from voting on the Board resolution in relation to the 2026-2028 Products Sales Framework Agreement.

7. Board's Assessment of Material Reliance

Based on its assessment of the following circumstances, the Board is of the view that the Group will not have material reliance on YCIH Group in terms of product sales.

(i) selling products to YCIH and its associates is an objective requirement for YCIH and its associates. YCIH Group is the construction engineering enterprises with the highest construction engineering revenue in Yunnan Province and the largest consumer of construction materials such as ready-mixed concrete within the province. As a construction materials supplier primarily focused on ready-mixed concrete within Yunnan Province, the Group is a national high-tech enterprise with nearly 30 years of professional experience in producing and supplying construction materials including ready-mixed concrete. Its existing production capacity extensively covers all prefectures and cities within Yunnan Province, enabling itself to rapidly supply projects with complex technical requirements while ensuring both quality and quantity. These characteristics often align significantly with the demands of YCIH Group, and suppliers possessing all these characteristics simultaneously are extremely rare in the market;

(ii) the Group currently possesses an independent customer base that is unrelated to YCIH Group, as well as the skills and networks required to independently explore new market opportunities and attract independent customers. Taking the 2024 annual results as an example, certain subsidiaries have achieved operating income derived entirely from independent customers; the new businesses that the Group has been developing in recent years, including solid waste utilisation and new energy charging and battery swapping services, have limited relevance to the principal business operations of YCIH Group. In the future, the Group will make every effort to increase revenue from independent customers and expand its proportion. For businesses related to YCIH Group, such as building materials sales, the Group will further expand its independent third party customers. This will include fully exploring market potential in regions not covered by YCIH Group and enhancing the Group's quality of services provided to independent third party customers. At the same time, for unrelated businesses, the Group will intensify its promotional efforts; and

(iii) in recent years, although the amount of products sold to YCIH and its associates by the Group has fluctuated in line with the Group's overall operating performance, its proportion of total operating income has remained stable with a gradual downward trend. Details for the period from 2022-2025 are as follows:

Unit: RMB million

	Year ended December 31,						Nine months ended September 30,	
	2022		2023		2024		2025	
	Actual transaction amount	Proportion of operating income	Actual transaction amount	Proportion of operating income	Actual transaction amount	Proportion of operating income	Actual transaction amount	Proportion of operating income
Sales of products to YCIH and its associates	1,137	68%	997	70%	460	65%	499	63%[Note]

Note: The proportion represents estimated data for 2025.

8. Information on the Parties

(i) The Company and the Group: the Company is a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Stock Exchange (Stock Code: 1847). The Group is primarily engaged in the R&D, production, and sales of ready-mixed commercial concrete, along with upstream and downstream building materials such as cement, aggregates, admixtures, and prefabricated components in the PRC.

(ii) YCIH: a company incorporated in the PRC with limited liability, as at the Latest Practicable Date, it is held as to 97.35% by the Yunnan SASAC and as to 2.65% by the Yunnan Provincial Department of Finance (雲南省財政廳) respectively and operates under the supervision and regulation of the Yunnan SASAC. As at the Latest Practicable Date, YCIH directly and indirectly holds 62.75% equity interest of the Company and is the controlling Shareholder of the Company.

YCIH and its subsidiaries (including the Group) are primarily engaged in three major businesses including, among others, construction engineering, infrastructure investment and modern logistics in the PRC and internationally.

9. Listing Rules Implications

As YCIH is the controlling Shareholder of the Company, YCIH and its associates are connected persons of the Company under the Listing Rules.

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) of transactions contemplated under the 2026-2028 Products Sales Framework Agreement exceeds 5% on an annual basis, such transactions are therefore subject to the reporting, announcement, annual review, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Board warrants that, prior to the Independent Shareholders' approval of the 2026-2028 Products Sales Framework Agreement, connected transactions between the Group, YCIH and its associates in respect of product sales shall not exceed the exemption threshold specified in Rule 14A.76(2) of the Listing Rules.

(II) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2026-2028 RAW MATERIALS, PRODUCTS AND SERVICES PROCUREMENT FRAMEWORK AGREEMENT

1. Background

References are made to the announcement and the circular of the Company dated October 31, 2022 and December 8, 2022, respectively, in relation to, among others, the existing continuing connected transactions under the 2023 Raw materials, Products and Services Procurement Framework Agreement.

As the term of the 2023 Raw Materials, Products and Services Procurement Framework Agreement expired on December 31, 2025, the Company and YCIH entered into the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement on November 17, 2025 to renew the 2023 Raw Materials, Products and Services Procurement Framework Agreement.

2. Details of 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement

A. Parties

(i) the Company (the purchaser, for itself and on behalf of its subsidiaries); and

(ii) YCIH (the supplier, for itself and on behalf of its associates).

B. Principal terms

On November 17, 2025, the Company entered into the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement with YCIH, pursuant to which the Company agreed to procure raw materials, products and services from YCIH.

The raw materials, products and services to be procured thereunder include, without limitation, the following:

(i) raw materials: cement, aggregates and others;

(ii) products: production equipment and other products used in the Company's production operations; and

(iii) services: construction services, property management services and consultancy services, etc.

The 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement shall become effective from January 1, 2026 upon the Company obtaining the approval of the Independent Shareholders at the EGM, and shall remain valid until December 31, 2028.

During the term of the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement, the relevant parties will enter into specific written agreements which specify and record the terms and provisions of the specific procurement transactions to be conducted in accordance with the principles and terms of the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement in all material aspects.

C. Pricing guidelines

Under the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement, the prices shall be determined as follows:

a. With respect to raw materials:

(i) the price shall be generally in line with the prevailing market price at which the same type of raw materials is provided to the Group by independent third party suppliers on normal commercial terms. The Group will conduct market research and regularly contact its suppliers (including both YCIH and/or its associates and independent third party suppliers) to understand the market conditions and determine the prevailing market price of the relevant type of raw materials; and

(ii) where a public tendering process is required for the procurement of the relevant raw materials, the price shall be determined based on the results of tendering in accordance with the Group's internal regulations and rules applicable to all suppliers of the same type of raw materials. Pursuant to such regulations and rules, if YCIH and/or its associates win the bid, the terms they offer, including the price quoted, shall be no less favorable than those offered by any independent third party supplier that participates in the process.

b. With respect to products:

(i) the price shall be generally in line with the prevailing market price at which the same type of products is provided to the Group by independent third party suppliers on normal commercial terms; to determine the prevailing market price, reference will be made to the historical prices of the same type of products, where applicable, the guidance price published by authoritative organizations and institutions and costs for the relevant product determined through market research to ensure the price will be no less favorable than that of the same type of products provided to the Group by independent third party suppliers; and

(ii) where a public tendering process is required for the procurement of the relevant products, the price shall be determined based on the results of tendering in accordance with the Group's internal regulations and rules applicable to all suppliers of the same type of products. Pursuant to such regulations and rules, if YCIH and/or its associates win the bid, the terms they offer, including the price quoted, shall be no less favorable than those offered by any independent third party supplier that participates in the process.

c. With respect to services:

(i) the price of the construction services shall be determined with reference to the pricing guidelines and methods as set out in the Pricing Standards for Construction and Engineering of Yunnan Province (2020 Edition)《雲南省建設工程造價計價標準(2020版)》;

(ii) the price of the property management services shall be determined with reference to the prevailing market rates and conditions for the same type of services provided in the neighboring areas, taking into account factors such as the geographical location, the standard and quality of services and the condition of the property; and

(iii) the price of the consultancy services shall be determined with reference to the prevailing market rates at which the same type of services is provided to the Group by independent third party service providers on normal commercial terms.

D. Internal control and corporate governance measures

Besides the methods and procedures set out above, the Company will also monitor the continuing connected transactions in accordance with the procedures set forth in the Company's connected transaction management rules. The Company's enterprise management department and material supply chain center, among other relevant departments, shall be responsible for monitoring the continuing connected transactions conducted under the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement and shall collect information of actual transactions on a quarterly basis to review and assess whether the transactions are conducted in accordance with the terms of their respective agreements and ensure that the actual transaction amounts do not exceed the proposed annual caps. In addition, the Group will obtain quotes from at least three independent third party suppliers in the public tendering, competitive negotiation or price inquiry process carried out for the purpose of procurement of the relevant raw materials, products or services. The Company's methods and procedures for obtaining market or industry data are as follows: the Company has established departments such as the material supply chain center and the equipment information department, which are responsible for the procurement and management of different categories of materials and services, including raw materials and equipment. Among these, in the course of daily operations, both material supply chain center and the equipment information department manage supplier inclusion, and gather market or industry insights in their respective fields through existing suppliers. At the same time, as a listed company, the Group also receives calls or emails from suppliers seeking cooperation opportunities from time to time. Furthermore, where issues arise with existing suppliers or when the inclusion of suppliers needs to be optimized, the Group actively identifies other suppliers and obtains their quotations through methods such as online inquiries and requests for recommendations from customers.

3. Payment Terms

The payment arrangements for connected transactions under the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement are expected to be as follows: the purchaser (the Group) makes an advance payment for the goods (with payment methods generally being flexible, and payments made through various methods including direct remittance, transfer, cash, bank acceptance bills, factoring products), while the seller (YCIH and its associates) then delivers the goods to the designated location. Upon the purchaser's inspection and acceptance of the goods, a confirmation of receipt is processed, and settlement is conducted on a monthly basis.

4. Historical Annual Caps, Actual Transaction Amounts and Proposed Annual Caps

A. Historical annual caps and actual transaction amounts

The historical annual caps, actual transaction amounts and the utilization rate of the annual caps for the procurement of raw materials, products and services from YCIH and its associates for each of the three years ended December 31, 2022, 2023 and 2024 and for the nine months ended September 30, 2025 are as follows:

Unit: RMB million

		Year ended December 31,			Nine months ended September 30,
		2022	**2023**	**2024**	**2025**
Procurement of raw materials, products and services from YCIH and its associates	Annual caps	500	853	916	936*Note 1*
	Actual transaction amounts	111	353	199	180
	Utilization rate of the annual caps	22%	41%	22%	29%*Note 2*

Note 1: The annual cap is applicable for the year ended December 31, 2025.

Note 2: The utilization rate is the expected utilization rate of the 2025 annual cap. The low utilisation rate is due to: when the 2025 annual cap was determined at the end of 2022, the Company expected a significant growth in performance in 2025, with a corresponding substantial increase in the demand for procurement of raw materials, products, and services. However, due to policy adjustments affecting the real estate sector and government investments, the expected result for 2025 is significantly lower than the expectations made when the annual caps were determined, which results in the fact that expected actual transaction amounts for raw materials, products, and services are also substantially lower than the expectations made when the annual caps were determined.

B. Proposed annual caps

The proposed annual caps for the procurement of raw materials, products and services from YCIH and its associates for each of the three years ending December 31, 2026, 2027 and 2028 are as follows:

Unit: RMB million

	Year ended December 31,		
	2026	**2027**	**2028**
Procurement of raw materials, products and services from YCIH and its associates	571	749	800

5. Basis of determination of the Proposed Annual Caps

In arriving at the proposed annual caps for the procurement of raw materials, products and services from YCIH and its associates under the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement for the three years ending December 31, 2026, 2027 and 2028, the Directors considered the following factors:

(i) although the expected actual transaction amounts and the estimated utilization rate of the annual cap for 2025 have rebounded compared to 2024, the Company anticipates a further increase in both the actual transaction amounts and the utilization rate of annual caps for 2026-2028. Considering that the historical maximum utilization rate of actual annual caps for procurement of raw materials, products and services from YCIH and its associates during periods of the increase in operating results (i.e., 2019-2020) was 83%, to ensure a certain buffer space for future annual caps and to maximize their actual utilization rate, the Group's forecasts the utilization rate of annual caps for 2026-2028 of approximately 70%, and puts forward the proposed annual caps based on the expected transaction amounts (see below);

(ii) the expected growth in the sales of products of the Group and in demand for other products and services. The Group expects an increase in demand for its products in the future (including the period from 2026 to 2028). As the YCIH Group has continued to implement centralized purchasing of bulk material (including cement) and obtains certain edges over prices, the procurement of concrete raw materials (such as cement and aggregates) related to YCIH and its associates is estimated to increase.

Beyond its core operations, YCIH Group has progressively established competitive advantages in recent years within sectors such as hotel and property management, agricultural produce, and fresh food delivery. Concurrently, the Group is advancing initiatives beyond construction materials, including solid waste, new materials, and new energy charging and battery swapping services, while planning construction of green and low-carbon building materials industrial park. Therefore, procurement of other products and services related to YCIH and its associates, including production equipment, construction services and property management services, is anticipated to increase. Totally, the Company anticipates an increase in the scale of procurement of raw materials, products and services from YCIH and its associates during the period from 2026 to 2028. Specifically, procurement amount for 2026 is projected to be approximately RMB400 million (an increase of approximately 46% compared to the projected procurement amount of approximately RMB274 million for 2025), with further growth anticipated for 2027 and 2028 based on the 2026 figures.

6. Reasons for and Benefits of Entering into the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement

The Directors are of the view that the transactions under the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement are beneficial to the Group for the following reasons:

(i) the Group and YCIH and/or its associates have developed a long-term relationship. Through years of cooperation, the Company believes that the Group and YCIH have a mutual understanding of each other's way of operation, quality control as well as specific requirements, which will enable smooth cooperation and operation and help save costs;

(ii) YCIH is the largest construction enterprise in Yunnan Province and the operation's scope of YCIH and its associates also cover construction related areas such as manufacturing, survey, design, research and consultancy. YCIH and its associates are capable of supplying the Group with raw materials, products and services with sufficient quantity, reliable quality, favorable terms and in a timely manner, which will ensure the smooth business operation of the Group;

(iii) the Group uses the property management services provided by YCIH and/or its associates for the properties leased from YCIH and/or its associates, as a subsidiary of YCIH, which has over 30 years of experience in the provision of property management services, is dedicated to providing professional property management services to properties of YCIH, which will ensure the quality and timeliness of the services; and

(iv) the prices and terms for the procurement of raw materials, products and services by the Group from YCIH and its associates would be no less favorable to the Company than those provided by independent third party suppliers. In particular, where a public tendering or a competitive negotiation process is required for the selection of suppliers, YCIH and its associates shall go through the same process in accordance with its internal regulations and rules applicable to all suppliers of the same type of raw materials, products and services. Pursuant to such regulations and rules, if YCIH and/or its associates win the bid, the terms they offer, including the price quoted, shall be no less favorable than those offered by any independent third party supplier that participates in the process.

The Directors (including independent non-executive Directors but excluding the connected Director as described below, namely Ms. Yang Jia) are of the view that the terms of the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor) are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

Ms. Yang Jia, a non-executive Director, who holds a position with YCIH Group, has abstained from voting on the Board resolution in relation to the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement. Save as disclosed above, none of Directors has a material interest in the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement and transactions contemplated thereunder or is required to abstain from voting on the Board resolution in relation to the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement.

7. Board's Assessment of Material Reliance

In recent years, although the Group's amount of procurement of raw materials, products and services from YCIH and its associates has fluctuated in line with the Group's total procurement amount, it has consistently accounted for a relatively small proportion of the Group's total procurement amount. Details for the period from 2022 to 2025 are as follows:

Unit: RMB million

	Year ended December 31,						Nine months ended September 30,	
	2022		2023		2024		2025	
	Actual transaction amount	Proportion of total procurement amount	Actual transaction amount	Proportion of total procurement amount	Actual transaction amount	Proportion of total procurement amount	Actual transaction amount	Proportion of total procurement amount
Procurement of raw materials, products and services from YCIH and its associates	111	11%	353	26%	199	33%	180	31%[Note]

Note: The proportion represents estimated data for 2025.

Based on the above circumstances, the Board is of the view that the Group will not have material reliance on YCIH Group in the procurement of raw materials, products, and services.

8. Information on the Parties

(i) The Company and the Group: the Company is a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Stock Exchange (Stock Code: 1847). The Group is primarily engaged in the R&D, production, and sales of ready-mixed commercial concrete, along with upstream and downstream building materials such as cement, aggregates, admixtures, and prefabricated components in the PRC.

(ii) YCIH: a company incorporated in the PRC with limited liability, as at the Latest Practicable Date, it is held as to 97.35% by the Yunnan SASAC and as to 2.65% by the Yunnan Provincial Department of Finance (雲南省財政廳) respectively and operates under the supervision and regulation of the Yunnan SASAC. As at the Latest Practicable Date, YCIH directly and indirectly holds 62.75% equity interest of the Company and is the controlling Shareholder of the Company.

YCIH and its subsidiaries (including the Group) are primarily engaged in three major businesses including, among others, construction engineering, infrastructure investment and modern logistics in the PRC and internationally.

9. Listing Rules Implications

As YCIH is the controlling shareholder of the Company, YCIH and its associates are connected persons of the Company under the Listing Rules.

As the highest applicable percentage ratio of transactions contemplated under the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement exceeds 5% on an annual basis, such transactions are therefore subject to the reporting, announcement, annual review, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Board warrants that, prior to the Independent Shareholders' approval of the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement, connected transactions between the Group, YCIH and its associates in respect of raw materials, products and services procurement shall not exceed the exemption threshold specified in Rule 14A.76(2) of the Listing Rules.

III. THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee has been established by the Company to advise the Independent Shareholders as to whether the two connected transactions are on normal commercial terms or on better terms in the ordinary and usual course of business of the Company and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. VBG Capital has been appointed as the Independent Financial Adviser by the Company to advise the Independent Board Committee and the Independent Shareholders on the same in accordance with the Listing Rules.

IV. EGM AND VOTING METHOD

The Company intends to convene the EGM at 10:00 a.m. on Friday, February 6, 2026 at Conference Room No.908, 9/F, YCIH Development Building, 188 Linxi Road, Information Industrial Base, Economic and Technological Development Zone, Kunming, Yunnan Province, the PRC, to consider and, if appropriate, approve the matter set out in the notice of the EGM. The form of proxy has been provided to the Shareholders in accordance with the Listing Rules on Monday, January 19, 2026. The notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular.

If you intend to appoint a proxy to attend the EGM, you are required to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same. The form of proxy should be returned to the H Share Registrar for holders of H Shares, or to the Board office of the Company for holders of Domestic Shares, in any event served by hand, by post or by fax not less than 24 hours before the time designated for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof.

According to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands. Therefore, the chairman of the EGM will demand a poll for the resolution of the EGM in accordance with Article 98 of the Articles of Association.

On a poll, each Shareholder (or, if the Shareholder is a company, its duly authorized representative) who attends the EGM in person or by proxy may have one vote for each Share registered in its name in the register of members of the Company. Shareholders entitled to more than one vote need not use all their voting rights or use all their voting rights in the same way.

As at the Latest Practicable Date, YCIH and YOIC, held a total of 280,050,000 Domestic Shares, representing in aggregate approximately 62.75% of the issued share capital of the Company. YCIH and YOIC are required to abstain from voting at the EGM in respect of the resolution to approve the two

connected transactions and the transaction contemplated thereunder. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, no Shareholder other than YCIH and YOIC is required to abstain from voting at the EGM.

V. CLOSURE OF REGISTER OF MEMBERS

To determine the list of Shareholders entitled to attend and vote at the EGM, the Company will close the register of members from Tuesday, February 3, 2026 to Friday, February 6, 2026 (both days inclusive), during which no transfer of Shares will be effected. Shareholders whose names appear on the Company's register of members on Friday, February 6, 2026 shall be entitled to attend and vote at the EGM. To be eligible to attend and vote at the EGM, all transfer documents shall be delivered, by no later than 4:30 p.m. on Monday, February 2, 2026, to the H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares), or to the Board office of the Company, at 5/F and 9/F, YCIH Development Building, 188 Linxi Road, Information Industrial Base, Economic and Technological Development Zone, Kunming, Yunnan Province, the PRC (for holders of Domestic Shares).

VI. RECOMMENDATIONS

The Directors (including the independent non-executive Directors that considered the advice from VBG Capital) are of the view that (i) 2026-2028 Products Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor); and (ii) 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor), are entered into on normal commercial terms or better, in the ordinary course of business of the Group, are fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favor of the relevant resolutions to be proposed at the EGM.

Your attention is drawn to the letter from the Independent Board Committee set out on pages 23 to 24 of this circular and the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 25 to 40 of this circular.

VII. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
By Order of the Board
YCIH Green High-Performance Concrete Company Limited
Li Zhangjian
Chairman

January 19, 2026

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GHPC

YCIH Green High-Performance Concrete Company Limited
雲南建投綠色高性能混凝土股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1847)

January 19, 2026

To the Independent Shareholders,

Dear Sir/Madam,

(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2026-2028 PRODUCTS SALES FRAMEWORK AGREEMENT; AND (2) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2026-2028 RAW MATERIALS, PRODUCTS AND SERVICES PROCUREMENT FRAMEWORK AGREEMENT

We refer to the circular of the Company dated January 19, 2026 (the "**Circular**"), of which this letter forms a part. Terms defined in the Circular shall have the same meaning when used herein, unless the context requires otherwise.

We have been appointed as the members of the Independent Board Committee to advise you as to whether in our opinion, (i) 2026-2028 Products Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor); and (ii) 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor), details of which are set out in the letter from the Board, are entered into on normal commercial terms or better, in the ordinary course of business of the Company, are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

VBG Capital has been appointed by the Company as the Independent Financial Adviser to advise us and the Independent Shareholders on the fairness and reasonableness of the aforementioned two connected transactions. Details of the advice from VBG Capital, together with the principal factors taken into consideration in arriving at such advice, are set out in its letter on pages 25 to 40 of the Circular.

Your attention is also drawn to the letter from the Board set out on pages 5 to 22 of the Circular.

Having considered the two connected transactions, the interests of the Independent Shareholders and the advice and recommendation of VBG Capital, we are of the view that: (i) 2026-2028 Products Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor); and (ii) 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor), are entered into on normal commercial terms or better, in the ordinary course of business of the Group, are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favor of the relevant resolutions at the EGM so as to approve the aforementioned two connected transactions.

Yours faithfully,
For and on behalf of
Independent Board Committee

Mr. Wong Kai Yan Thomas	**Mr. Yu Dingming**	**Mr. Li Hongkun**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*

Set out below is the text of a letter received from VBG Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement for the purpose of inclusion in this circular.

建泉融資有限公司
VBG Capital Limited

Suites 707-709, 7/F.
12 Taikoo Wan Road
Taikoo
Hong Kong

19 January 2026

To: The independent board committee and the independent shareholders of YCIH Green High-Performance Concrete Company Limited

Dear Sirs,

(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2026-2028 PRODUCTS SALES FRAMEWORK AGREEMENT; AND (2) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2026-2028 RAW MATERIALS, PRODUCTS AND SERVICES PROCUREMENT FRAMEWORK AGREEMENT

I. INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular dated 19 January 2026 issued by the Company to the Shareholders (the "**Circular**"), of which this letter of advice forms part. Capitalised terms used in this letter of advice shall have the same meanings as ascribed to them under the section headed "Definitions" in the Circular unless the context requires otherwise.

On 18 November 2025, the Company announced the entering into of the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement by the Group, which constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules, and are subject to, among other things, the Independent Shareholders' approval requirement. An EGM will be convened by the Company to seek approval from the Independent Shareholders in respect of these transactions.

The Independent Board Committee comprising Messrs. Wong Kai Yan Thomas, Yu Dingming and Li Hongkun (all being the independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement are on normal commercial

terms and are fair and reasonable so far as the Independent Shareholders are concerned; (ii) whether the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement are in the interests of the Company and the Shareholders as a whole and are conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement at the EGM. We, VBG Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

II. BASIS OF OUR OPINION

In formulating our opinion with regard to the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement, we have relied on the information and facts supplied, opinions expressed and representations made to us by the management of the Group. We have assumed that the information and facts supplied, opinions expressed and representations made to us by the management of the Group were true, accurate and complete at the time they were made and continue to be true, accurate and complete in all material aspects until the date of the Circular. We have also assumed that all statements of belief, opinions, expectation and intention made by the management of the Group in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its management and/or advisers, which have been provided to us.

The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, which to the best of their knowledge and belief, that the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in the Circular or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent investigation into the business and affairs or future prospects of the Group, YCIH or their respective shareholders, subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement. Our opinion is necessarily based on the market, financial, economic and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to consider events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. Nothing contained in this letter of advice should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Shareholders should note that as the proposed annual caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2028, and they do not represent forecasts of revenues or costs to be recorded from the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement. Consequently, we express no opinion as to how closely the actual revenues and costs to be recorded under the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement will correspond with the proposed annual caps.

Where information in this letter of advice has been extracted from published or otherwise publicly available sources, we have ensured that such information has been correctly and fairly extracted, reproduced or presented from the relevant sources but we did not conduct any independent investigation into the accuracy and completeness of such information.

III. OUR INDEPENDENCE

As at the Latest Practicable Date, we did not have any business relationship with the Company within the past two years. Save for the normal fees payable to us in connection with this appointment, no arrangement exists whereby we shall receive any fees or benefits from the Company and its subsidiaries or the Directors, chief executive or substantial shareholders (as defined in the Listing Rules) of the Company or any of their associates. We consider ourselves independent to form our opinion in respect of the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement in compliance with Rule 13.84 of the Listing Rules.

IV. PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement, we have taken into consideration the following principal factors and reasons:

(I) BACKGROUND OF THE 2026-2028 PRODUCTS SALES FRAMEWORK AREEMENT AND THE 2026-2028 RAW MATERIALS, PRODUCTS AND SERVICES PROCUREMENT FRAMEWORK AGREEMENT

1. Business overview of the Group

The Group is primarily engaged in the research and development, production, and sales of ready-mixed commercial concrete, along with upstream and downstream building materials such as cement, aggregates, admixtures, and prefabricated components in the PRC.

The Group is a leading concrete products supplier in Yunnan Province. In recent years, the Company has continued to carry out transformation and upgrading. While focusing on research and development, production, and sales of ready-mixed commercial concrete as well as building materials for upstream and downstream products such as cement, aggregates, admixtures, and prefabricated components, the Company has expanded the comprehensive utilization of solid waste resources, particularly Phosphogypsum. The Group's business scope covers housing construction and infrastructure construction, including railways, highways, integrated pipeline networks and other projects.

2. Information on YCIH

As extracted from the Letter from the Board, YCIH, the controlling shareholder of the Company, is a limited company established in the PRC. YCIH is held as to 97.35% by the Yunnan SASAC and as to 2.65% by the Yunnan Provincial Department of Finance and it operates under the supervision and regulation of the Yunnan SASAC.

YCIH Group (including the Group) is primarily engaged in three major businesses including, amongst others, construction engineering, infrastructure investment and modern logistics in the PRC and internationally.

3. Future advancement of the construction industry of Yunnan Province

From our independent research, we noted from the data released by the Yunnan Statistical Bureau that the annual gross domestic product (GDP) of Yunnan Province had increased by approximately 3.3% year-on-year to reach approximately RMB3,153.4 billion in 2024. The per capita GDP of the province in 2024 was RMB67,612, representing an increase of approximately 3.8% year-on-year. The total industrial added value of Yunnan Province in 2024 was approximately RMB745.4 billion, up by approximately 3.2% year-on-year. The total output value of the construction industry of the province in 2024 was approximately RMB813.9 billion, representing an increase of approximately 3.2% over the previous year.

The "14th Five-Year Plan for National Economic and Social Development of Yunnan Province and the Outline of the 2035 Vision" (《雲南省國民經濟和社會發展第十四個五年規劃和二零三五年遠景目標綱要》) has put forward the blueprint for future development of Yunnan Province. Following the implementation of the "14th Five-Year Plan for Construction Industry Development of Yunnan Province" (《雲南省「十四五」建築業發展規劃》), the "14th Five-Year Plan Outline for Housing and Urban Rural Construction of Yunnan Province" (《雲南省住房和城鄉建設事業「十四五」規劃綱要》) and other planning documents, it is expected that the construction industry of Yunnan Province will enjoy development opportunity. Based on the "List of Major Provincial Projects in Yunnan Province in 2025" (《雲南省2025年度省級重大項目清單》) and the "List of Yunnan Province's "Top Priority" Projects in 2025" (《雲南省2025年度"重中之重"項目清單》) published by the Yunnan provincial government in early 2025, the province has a total of 1,775 major projects (among which 76 are top priority projects), covering industrial development and infrastructure, with total investment of nearly RMB3,000 billion and annual planned investment of nearly RMB400 billion. The number of projects and total investment jumped by approximately 7.6% and 6.6% respectively as compared to last year. In accordance with the "Planning Outline of Comprehensive Three-dimensional Transportation Network of Yunnan Province" (《雲南省綜合立體交通網規劃綱要》), a modern three-dimensional transportation network integrating the land, air and water transports will be formed by 2035. In addition, the "Energy Initiatives for Implementation of Stable Growth Policies" (《落實穩增長政策措施能源行動方案》) emphasizes the acceleration of construction of major hydropower and new energy projects, oil and gas infrastructure in the near future.

Against the backdrop of the positive prospects of the construction industry of Yunnan Province, demand for concrete products is expected and the Group as a concrete enterprise with extensive experience, leading technology and stable supply will likely be benefited.

(II) THE 2026-2028 PRODUCTS SALES FRAMEWORK AGREEMENT

1. Reasons for the 2026-2028 Products Sales Framework Agreement

With reference to the Letter from the Board, the Group and YCIH and/or its associates have established a long-term relationship. Through years of cooperation, the Company believes that YCIH and the Group have mutual understanding of each other's planning of operation, quality control as well as specific requirements, which will enable smooth operation and help to save costs. The Group is among the few that has the capabilities to provide reliable and sufficient supply to meet the substantial needs of YCIH and/or its associates in their construction business operations. The Group is also capable of research and development, design and production of different types of concrete in order to satisfy the requirements of the different projects carried out by YCIH and/or its associates. While the Group's independent third party customers are carefully selected based on a number of factors including their creditworthiness, the Company believes that the risk of default by YCIH and/or its associates is even lesser as YCIH and/or its associates are primarily state-owned enterprises in the PRC. Furthermore, by supplying products to YCIH and/or its associates that often undertake high profile and demanding projects in Yunnan Province, the Company believes that it can build up its own profile and boost its reputation among its existing and potential customers.

In addition, based on our independent research as presented under the sub-section headed "Future advancement of the construction industry of Yunnan Province" of this letter of advice, positive prospects of the construction industry of Yunnan Province are expected. As such, the 2026-2028 Products Sales Framework Agreement that facilitates business transactions between the Group and YCIH and/or its associates would likely to enhance the Group's business development amidst the industry advancement potentials.

In view of the aforesaid reasons for the 2026-2028 Products Sales Framework Agreement, we concur with the Directors that the 2026-2028 Products Sales Framework Agreement is conducted in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole.

2. Principle terms of the 2026-2028 Products Sales Framework Agreement

Principal terms of the 2026-2028 Products Sales Framework Agreement dated 17 November 2025 are set out as follows:

Parties:	The Company (as seller, for itself and on behalf of its subsidiaries) and YCIH (as purchaser, for itself and on behalf of its associates)
Term:	1 January 2026 to 31 December 2028
Scope and pricing guideline:	The Group agreed to sell building materials (including concrete, aggregates, admixtures, prefabricated components), solid waste and new materials and other products to YCIH. Under the 2026-2028 Products Sales Framework Agreement, the price of the products shall be determined as follows:

(i) the price of the products shall be determined in accordance with the pricing policies and guidelines adopted and regularly reviewed by the Company for the sales of products to all customers with reference to upstream materials and product prices and other costs, and be generally in line with the prevailing market price at which the same type of products is provided by the Group to an independent third party customer on normal commercial terms. Generally, unless the project is located in a particularly remote area or there are no projects of a similar scale and requirements in the vicinity, the Company will, in principle, refer to quotations from no fewer than one to two independent third party customers.

The following factors will be taken into account to determine the prevailing market price: the price the Group offers to the independent third party customers for the same type of products, the payment terms, the specific requirements of the parties, the quality of the products required and the geographical areas where the products are provided, etc., to ensure the price will be no less favorable to the Group than that of the same type of products it provides to independent third party customers; and

(ii) in the unlikely event that no comparable market price can be taken, experts of the Group with sufficient industry experience shall opine on the fairness and reasonableness of the price with reference to the comparable price and/or historical transaction price of the most similar items to ensure the price would be fair and reasonable to the Group and no less favourable to the Group than the price it offers to independent third party customers.

For our due diligence purpose to evaluate the terms of the connected transactions during the term of the 2023 Products Sales Framework Agreement, we have randomly selected and reviewed (i) 15 transaction records (five per each year) for transactions contemplated under the 2023 Products Sales Framework Agreement from January 2023 to December 2025; and (ii) 15 transaction records (five per each year) for transactions between the Group and independent third party customers in respect of the provision of similar concrete products by the Group during the same period. Given that those transaction records covered a reasonable range of, though not of all kinds, concrete products and were transacted and equally distributed throughout the entire 3-year term of the 2023 Products Sales Framework Agreement, we consider them to be sufficient, fair and representative. Based on our review and comparison of the same, we noted that their major terms (such as payment terms, terms on delivery and service quality) were similar.

Upon our further enquiry with the Directors and review of the relevant internal control manuals, we understand that the Group has adopted a comprehensive set of internal procedures to ensure adherence to the pricing policies and guidelines as stipulated under the 2026-2028 Products Sales Framework Agreement. In particular, at the beginning of each month, the cost control center of the Company will issue the Guidance Price List for Sales Price of Concrete (《混凝土銷售價格指導價表單》) according to the Price Information for Construction and Engineering Material and Equipment of Yunnan Province (Periodical) (《雲南省建設工程材料及設備價格信息》(期刊)) and the Price Guidance Information for Construction and Engineering Material and Equipment of Kunming (《昆明市建設工程材料及設備價格指導信息》). In the course of daily operations, the operational staff of each grassroots unit of the Group will conduct on-site visits or utilize online channels and existing clients and projects to investigate where and when projects of varying scales may be constructed. They will also try to understand information such as quotations submitted by other

companies in the same industry or transaction prices on other projects. Such information on projects and prices, together with the Company's historical quotes to independent third party customers and actual transaction prices, will be consolidated into an operations ledger established and overseen by the marketing management center which is responsible for managing the business operations of the Group. Having considered that (i) standard price lists shall be formulated and published by the Company's cost control center with reference to relevant market price information; and (ii) each prospective individual agreement under the 2026-2028 Products Sales Framework Agreement shall be reviewed by the marketing management center and cost control center and approved by the senior management of the Company such that the sales prices and other key terms (including payment terms) are on normal commercial terms, fair pricing under the 2026-2028 Products Sales Framework Agreement would be warranted.

Based on the results of our independent transaction record samples check as detailed in the previous paragraph, we do not doubt the fairness and reasonableness of the pricing policy and payment terms under the 2026-2028 Products Sales Framework Agreement and the effectiveness of the internal control measures of the Group in this respect.

In light of the above, we are of the opinion that the terms of the 2026-2028 Products Sales Framework Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

3. The proposed annual caps

The table below illustrates (i) the actual historical amounts of the revenue transactions contemplated under the 2023 Products Sales Framework Agreement; and (ii) the proposed annual caps for the revenue transactions contemplated under the 2026-2028 Products Sales Framework Agreement:

	Actual historical amounts				**The proposed annual caps**		
	2022	**2023**	**2024**	**Nine months ended 30/9/2025**	**2026**	**2027**	**2028**
	RMB million	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*
Total revenue transactions	1,137	997	460	499	1,031	1,145	1,231
Utilization of relevant annual cap	29.2%	39.9%	16.9%	16.9% (based on the full 2025 annual cap)	N/A	N/A	N/A

Based on our independent review of the calculations of the proposed annual caps, it is noted that the proposed annual caps are primarily determined with reference to the Group's existing contracts and projects under pursuit. From the information we reviewed, the contract sum of the existing supply contracts between the Group (as seller) and YCIH (as purchaser) was approximately RMB928 million as at 30 September 2025. The contract sum of newly signed contracts between the two parties for the fourth quarter of 2025 is expected to amount to approximately RMB710 million. By the end of 2025, it is expected that contracts with a total contract sum of approximately RMB1,230 million will be carried forward to future years. Among

these, the contract value attributable to YCIH and its associates amounted to approximately RMB850 million. Based on the projected carry-over projects, the Directors expected that approximately RMB610 million will be recognized as operating income for 2026.

On the other hand, we have independently studied the historical trend of the revenue transactions contemplated under the 2023 Products Sales Framework Agreement and are aware of that the transaction amounts were approximately RMB1,137 million, RMB997 million, RMB460 million and RMB499 million for the three years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025, respectively. Accordingly, the amounts of the proposed annual caps are in fact close to the actual transaction amounts for 2022 and 2023. We have further enquired into the Directors as to the low historical utilization of the annual caps and why there have been a reduction in the transaction amounts for 2024. As advised by the Directors, the reduction was mainly attributable to government policy adjustment affecting the real estate sector and government investments. Because of this, the concrete market shrank and competition in the construction industry became more intensified, leading to decrease in both sales volume and average unit selling price of concrete products. Nevertheless, the Directors advised us that due to the continuous effort of the Group in promoting new businesses and the favourable policies relaunched by the government, the Group has picked up the growing momentum in its interim results of 2025 as compared to the same period of 2024 with operating income surging by approximately 57.2%, the positive effect of which on the actual sales to YCIH are expected to be gradually reflected. Therefore, it is expected that the transaction amounts between the Group and YCIH will increase in line with the Group's business growth and attain the 2022 and 2023 levels of around RMB1,000 million in the coming years.

Moreover, the Directors advised us that when determining the proposed annual caps, they have taken into consideration the national plans for future economic development. According to the recommendations of the Central Committee of the Communist Party of China on formulating the 15th Five-Year Plan for National Economic and Social Development, one of the main objectives for economic and social development during the period of "15th Five-Year Plan" is to achieve significant progress in high-quality development, with economic growth maintained within a reasonable range. Additionally, the state has outlined overall plans for building a modern infrastructure system, promoting high-quality development in the real estate sector, and expanding effective investment. The Directors are confident that these initiatives will provide a favourable external environment for the future development of the Group. In this relation, based on our independent research findings as demonstrated under the sub-section headed "Future advancement of the construction industry of Yunnan Province" of this letter of advice, we are also of the view that against the backdrop of the positive prospects of the construction industry of Yunnan Province, demand for concrete products is expected and the Group as a concrete enterprise with extensive experience, leading technology and stable supply will likely be benefited.

In conclusion, in view of that (i) the proposed annual caps are reasonably determined with reference to the Group's existing contracts and projects under pursuit; (ii) the amounts of the proposed annual caps are close to the actual transaction amounts for 2022 and 2023 despite the low utilization of the relevant annual caps; (iii) according to the Directors, the Group picked up the growing momentum in its interim results of 2025 as compared to the same period of 2024, the positive effect of which on the actual sales to YCIH are expected to be gradually reflected; (iv) the Group will likely be benefited from the positive prospects of the construction industry of Yunnan Province; and (v) it is expected that the transaction amounts between the Group and YCIH will increase in line with the Group's business growth and attain the 2022 and 2023 levels of around RMB1,000 million in the coming years, we are of the view that the proposed annual caps for the

revenue transactions contemplated under the 2026-2028 Products Sales Framework Agreement for the three years ending 31 December 2028 are fair and reasonable so far as the Independent Shareholders are concerned.

4. Reliance on YCIH Group in relation to product sales

As extracted from the Letter from the Board, the Directors are of the view that the Group does not have material reliance on YCIH Group in terms of product sales for the following reasons:

(1) Selling products to YCIH and/or its associates is an objective requirement for YCIH and/or its associates. YCIH Group is the construction engineering enterprises with the highest construction engineering revenue in Yunnan Province and the largest consumer of construction materials such as ready-mixed concrete within the province. As a construction materials supplier primarily focusing on ready-mixed concrete within Yunnan Province, the Group is a national high-tech enterprise with nearly 30 years of professional experience in producing and supplying construction materials including ready-mixed concrete. Its existing production capacity extensively covers all prefectures and cities within Yunnan Province, enabling it to rapidly supply projects with complex technical requirements while ensuring both quality and quantity. These characteristics often align significantly with the demands of YCIH Group, and suppliers possessing all these characteristics simultaneously are rare in the market.

(2) The Group currently possesses an independent customer base, as well as the skills and networks required to independently explore new market opportunities and attract independent third party customers. Taking the 2024 annual results as an example, certain subsidiaries of the Group have achieved operating revenues deriving entirely from independent customers.

(3) The new businesses that the Group has been developing in recent years and will further intensify in the future, including solid waste utilization and new energy charging and battery swapping services, have limited relevance to the principal business operations of YCIH Group.

We have requested the Company to provide us with further information regarding point (2) above, from which we noted that in 2023, the operating income of all subsidiaries of the Group from independent third party customers accounted for around 22% of the Group's total operating income, while in 2024, the proportion jumped to around 27%. We have also independently reviewed the 2024 annual report of the Company, from which we noted that the Group's revenue from other businesses expanded from approximately RMB19.4 million in 2023 (representing approximately 1.4% of the total operating income) to approximately RMB26.5 million (representing approximately 3.7% of the total operating income). For instance, sales to YCIH and/or its associates in proportion of the Group's total operating income have remained stable at not more than 70%, with a possible slight decreasing trend. In the future, the Group shall endeavor to increase revenue from independent third party customers and expand this proportion. For businesses related to YCIH Group, such as building materials sales, the Group will further explore market potential in regions not covered by YCIH Group. For other unrelated businesses, the Group will intensify its promotional efforts. Whilst the transactions between the Group and YCIH have brought stable recurrent income to the Group under normal commercial terms, the Group is not obliged to sell to YCIH Group and as mentioned in point (2) above, the Group currently possesses an independent customer base. Upon our further enquiry with the Directors, we understand that in 2024, the Group had more than 470 independent third party customers including sizeable state-owned enterprises such as China State Construction Engineering

Corporation, China Railway Group Limited, China Railway Construction Corporation Limited and China Communications Construction Company Limited, and/or their subsidiaries. Most of the existing independent third party customers have established over five years of business relationship with the Group, with the longest being 14 years. As such, should the Group terminate its product sales to YCIH Group, there is no reason to believe that those independent third party customers would also stop their purchase from the Group. Judging from the aforesaid, we concur with the Directors that the Group does not have material reliance on YCIH Group in terms of product sales.

(III) THE 2026-2028 RAW MATERIALS, PRODUCTS AND SERVICES PROCUREMENT FRAMEWORK AGREEMENT

1. Reasons for the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement

With reference to the Letter from the Board, the Group and YCIH and/or its associates have established a long-term relationship. Through years of cooperation, the Company believes that YCIH and the Group have mutual understanding of each other's planning of operation, quality control as well as specific requirements, which will enable smooth operation and help to save costs. YCIH is the largest construction enterprise in Yunnan Province, and the operations of YCIH and/or its associates also cover construction related areas such as manufacturing, survey, design, research and consultancy. YCIH and/or its associates are capable of supplying the Group with raw materials, products and services with sufficient quantity, reliable quality, favourable terms and in a timely manner, which will ensure the smooth business operation of the Group. Furthermore, the Group uses the property management services provided by YCIH and/or its associates for properties leased from them such that the quality and timeliness of services can be ensured.

In addition, based on our independent research as presented under the sub-section headed "Future advancement of the construction industry of Yunnan Province" of this letter of advice, positive prospects of the construction industry of Yunnan Province are expected. As such, the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement that facilitates business transactions between the Group and YCIH and/or its associates would likely to enhance the Group's business development amidst the industry advancement potentials.

In view of the aforesaid reasons for the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement, we concur with the Directors that the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement is conducted in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole.

2. Principle terms of the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement

Principal terms of the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement dated 17 November 2025 are set out as follows:

Parties: The Company (as purchaser, for itself and on behalf of its subsidiaries) and YCIH (as seller, for itself and on behalf of its associates)

Term: 1 January 2026 to 31 December 2028

Scope and pricing guideline: The Group agreed to procure raw materials, products and services from YCIH and its associates. The raw materials, products and services to be procured thereunder include, without limitation, the following:

(i) Raw materials: cement, aggregates and others;

(ii) Products: production equipment and other products used in the Group's production operations; and

(iii) Services: construction services, property management services and consultancy services etc.

Under the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement, the price shall be determined as follows:

(i) With respect to raw materials: (a) the price shall be generally in line with the prevailing market price at which the same type of raw materials is provided to the Group by independent third party suppliers on normal commercial terms. The Group will conduct market research and regularly contact its suppliers (including both YCIH and/or its associates and independent third party suppliers) to understand the market conditions and determine the prevailing market price of the relevant type of raw materials; and (b) where a public tendering process or a competitive negotiation process is required for the procurement of the relevant raw material, the price shall be determined based on the results of such process in accordance with the Company's internal regulations and rules applicable to all suppliers of the same type of raw materials. Pursuant to such regulations and rules, if YCIH and/or its associates win the bid, the terms they offer, including the price quoted, shall be no less favourable than those offered by any independent third party supplier that participates in the process.

(ii) With respect to products: (a) the price shall be generally in line with the prevailing market price at which the same type of products is provided to the Group by independent third party suppliers on normal commercial terms. To determine the prevailing market price, reference will be made to the historical prices of the same type of products, where applicable, the guidance price published by authoritative organizations and institutions and costs for the relevant product determined through market research to ensure the price will be no less favourable to the Group than that of the same type of products provided to the Group by independent third party suppliers; and (b) where a public tendering process or a competitive negotiation process is required for the procurement of the relevant product, the price shall be determined based on the results of such process in accordance with the Company's internal regulations and rules applicable to all suppliers of the same type of products. Pursuant to such regulations and rules, if YCIH and/or its associates win the bid, the terms they offer, including the price quoted, shall be no less favourable than those offered by any independent third party supplier that participates in the process.

(iii) With respect to services: (a) the price of construction services shall be determined with reference to the pricing guideline and method as set out in the Pricing Standards for Construction and Engineering of Yunnan Province (2020 Edition) (《雲南省建設工程造價計價標準(2020版)》); and where a public tendering process is conducted for the procurement, based on the results of such process; (b) the price of the property management services shall be determined with reference to the prevailing market rates and conditions for the same type of service provided in the neighboring areas, taking into account factors such as the geographical location, the standard and quality of services and the condition of the property; and (c) the price of consultancy services shall be determined with reference to the prevailing market rates at which the same type of service is provided to the Group by independent third party service providers on normal commercial term.

For our due diligence purpose to evaluate the terms of the connected transactions during the term of the 2023 Raw Materials, Products and Services Procurement Framework Agreement, we have randomly selected and reviewed (i) 15 transaction records (five per each year) for transactions contemplated under the 2023 Raw Materials, Products and Services Procurement Framework Agreement from January 2023 to December 2025; and (ii) 15 transaction records (five per each year) for transactions between the Group and independent third party suppliers in respect of the procurement of similar raw materials, products or services by the Group during the same period. Given that those transaction records covered a reasonable range of, though not of all kinds, raw materials, products and services and were transacted and equally distributed throughout the entire 3-year term of the 2023 Raw Materials, Products and Services Procurement Framework Agreement, we consider them to be sufficient, fair and representative. Based on our review and comparison of the same, we noted that their major terms (such as price, payment terms, terms on delivery and service quality) were similar.

In accordance with the pricing policy, in the course of daily operations, both the material supply chain center and the equipment information department of the Group manage supplier inclusion and gather market or industry insights in their respective fields through existing suppliers. When public tender is required, the Group will obtain quotes from at least three independent third party suppliers, competitive negotiation or price inquiry process will then be carried out for the purpose of procurement of the relevant raw materials, products or services. The Group will ensure that the final terms entered into between the parties shall be consistent with the key terms pre-determined and specified by the Group in the relevant tender or negotiation document circulated before the public tender process. In this relation, we have randomly selected and reviewed (i) three sets of tender documents for procurement of raw materials/products/services (one each) where were conducted in 2024 or 2025; and (ii) the relevant public tender guideline and regulations. Since this checking serves as walk-through tests to ascertain how the public tender for procurements was carried out, we consider the said three samples that covered all scopes of procurement from YCIH and its associates to be appropriate to fulfill such purpose. We noted from those sample tender documents that the tendering procedures specified in the public tender guideline and regulations were adhered to and the price and payment terms was determined based on the results of the tender in accordance with the public tender guideline and regulations.

Besides the pricing policy and procedures set out above, various departments of the Company shall be responsible for the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement and shall collect information of actual transactions on a quarterly basis to review and assess whether the transactions are conducted in accordance with the terms of their respective agreements and ensure that the actual transaction amounts do not exceed the proposed annual caps. Based on the results of our independent transaction record samples check as detailed in the previous paragraph, we do not doubt the fairness and reasonableness of the pricing policy and payment terms under the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement and the effectiveness of the internal control measures of the Group in this respect.

In light of the above, we are of the opinion that the terms of the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

3. The proposed annual caps

The table below illustrates (i) the actual historical amounts of the expenditure transactions contemplated under the 2023 Raw Materials, Products and Services Procurement Framework Agreement; and (ii) the proposed annual caps for the expenditure transactions contemplated under the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement:

	Actual historical amounts				The proposed annual caps		
	2022	**2023**	**2024**	**Nine months ended 30/9/2025**	**2026**	**2027**	**2028**
	RMB million	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*
Total expenditure transactions	111	353	199	180	571	749	800
Utilization of relevant annual cap	22.2%	41.4%	21.7%	19.2% (based on the full 2025 annual cap)	N/A	N/A	N/A

When assessing the fairness and reasonableness of the proposed annual caps, we are aware of that the historical transaction amounts of the expenditure transactions contemplated under the 2023 Raw Materials, Products and Services Procurement Framework Agreement were approximately RMB111 million, RMB353 million, RMB199 million and RMB180 million for the three years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025, respectively. From 2022 to 2023, the actual transaction amounts soared significantly by approximately 218.0%. We have further enquired into the Directors as to the low historical utilization of the annual caps and why there have been a reduction in the transaction amounts for 2024. As advised by the Directors, the reduction was mainly attributable to the successful completion of a few large scale key projects of the Group leading to relatively lower demand for raw materials, products and services coupled with government policy adjustment affecting the real estate sector and government investments which led to the shrink of concrete market and intensified competition in the construction industry. Nevertheless, the Group picked up the growing momentum in its interim results of 2025 as compared to the same period of 2024 with operating income surging by approximately 57.2%, the positive effect of which on the actual procurements from YCIH are expected to be gradually reflected. Concurrently, the Group is advancing initiatives beyond construction materials, including solid waste, new materials, and new energy charging and battery swapping services, while planning construction of green and low-carbon building materials industrial park. Therefore, it is expected that the Group's procurement of products and services from YCIH, including production equipment, construction services and property management services, will increase in the coming years. The Group's procurement of products and services from YCIH would expand to around RMB700 million annually based on the 2025 annualized transaction amount and the historical surge rate of 218% from 2022 to 2023.

Upon our further review of the Company's 2025 interim report, it is noted that in the first half of 2025, the Group implemented targeted market expansion and continued to implement precise measures, achieving significant improvement in operational quality and efficiency. The Group won the bid for the Yuanmou-Dayao (Xinjie) Highway Project, Phase II of Urban Village Renovation Project in Puzi Community, Guandu District, Kunming City, and Phase I Construction Project of Sinograin Yuxi Direct-affiliated Warehouses. The amount of newly signed sales contracts of the Group was approximately RMB1.4 billion, representing an increase of approximately 62.2% as compared to the corresponding period of 2024. Among them: the amount of newly signed sales contracts for concrete business was approximately RMB1.3 billion, and the amount of newly signed sales contracts in relation to the new products such as concrete admixtures, powders, RPC cover plates and prefabricated components, as well as the new solid waste processing business was around RMB80 million. Large-scale projects with contract amounts exceeding RMB10 million

includes the Yuanmou-Dayao (Xinjie) Highway Project, the Phase I Construction Project of Sinograin Yuxi Direct-affiliated Warehouses, the Phase II of Urban Village Renovation Project in Puzi Community, Guandu District, Kunming City and Baoshan Wuyue Plaza Project (Phase III, Plot 1), etc. As of 30 June 2025, the Group has entered into centralized concrete supply contracts with cumulative contract amount of almost RMB285 million covering concrete demand of approximately 1.7 million cubic meters.

We thus concur with the Directors that the future expansion of the Group would trigger considerable demand for raw materials, products and services from YCIH and/or its associates under the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement.

In conclusion, in view of that (i) the actual transaction amounts soared significantly by approximately 218.0% from 2022 to 2023 despite the low utilization of the relevant annual caps; (ii) according to the Directors, the Group picked up the growing momentum in its interim results of 2025 as compared to the same period of 2024, the positive effect of which on the actual procurements from YCIH are expected to be gradually reflected; (iii) the new contracts/projects secured by the Group would trigger considerable demand for raw materials, products and services from YCIH and/or its associates; (iv) the Group will likely be benefited from the positive prospects of the construction industry of Yunnan Province; and (v) the actual procurement transactions would expand to around RMB700 million annually based on the 2025 annualized transaction amount and the historical surge rate of 218% from 2022 to 2023, we are of the view that the proposed annual caps for the expenditure transactions contemplated under the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement for the three years ending 31 December 2028 are fair and reasonable so far as the Independent Shareholders are concerned.

4. Reliance on YCIH Group in relation to procurements

Since we noted that as depicted in the Letter from the Board, the Group's amount of procurement from YCIH and/or its associates has consistently accounted for less than 35% of the Group's total procurement amount, we concur with the Directors that the Group does not have material reliance on YCIH Group in terms of procurements.

V. RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement are in the interests of the Company and the Shareholders as a whole and are conducted in the ordinary and usual course of business of the Group. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the respective resolutions to be

proposed at the EGM to approve the 2026-2028 Products Sales Framework Agreement and the 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement and we recommend the Independent Shareholders to vote in favour of the resolutions in this regard.

Yours faithfully,
For and on behalf of
VBG Capital Limited
Doris Sing
Managing Director

Ms. Doris Sing is a licensed person and responsible officer of VBG Capital Limited registered with the Securities and Futures Commission to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and has over 21 years of experience in corporate finance.

1. RESPONSIBILITY STATEMENTS

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make this circular or any statement herein misleading.

2. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there had not been any material adverse change in the financial or trading position of the Group since December 31, 2024, the date to which the latest published audited consolidated financial statements of the Group were made up.

3. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES

As at the Latest Practicable Date, the Directors confirm that the following parties (other than the Directors, Supervisors or chief executive of the Company) had an interest or short position in the Shares or underlying Shares, which is required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO and has been entered in the register kept by the Company according to Section 336 of the SFO:

Name	Capacity/Nature of interest	Class of Shares	Number of Shares (share)	Long/Short position	Approximate percentage of the number of the corresponding class of issued Shares	Approximate percentage of shareholding in the total issued share capital
YCIH*(Note 1)*	Beneficial owner	Domestic Shares	228,600,000	Long position	73.18%	51.22%
	Interest held by controlled corporations*(Note 2)*	Domestic Shares	51,450,000	Long position	16.47%	11.53%
Total			280,050,000	Long position	89.65%	62.75%
YOIC*(Note 2)*	Beneficial owner	Domestic Shares	51,450,000	Long position	16.47%	11.53%
KMEIC*(Note 3)*	Beneficial owner	Domestic Shares	32,340,000	Long position	10.35%	7.25%
Zoomlion Heavy Industry Science and Technology Co., Ltd.*(Note 4)*	Interest held by controlled corporations*(Note 4)*	H Shares	13,388,000	Long position	10.00%	3.00%
Zoomlion H.K. Holding Co., Limited*(Note 4)*	Interest held by controlled corporations*(Note 4)*	H Shares	13,388,000	Long position	10.00%	3.00%
Zoomlion International Trading (H.K.) Co., Limited*(Note 4)*	Beneficial owner	H Shares	13,388,000	Long position	10.00%	3.00%

Name	Capacity/Nature of interest	Class of Shares	Number of Shares (share)	Long/Short position	Approximate percentage of the number of the corresponding class of issued Shares	Approximate percentage of shareholding in the total issued share capital
China Resources Company Limited(Note 5)	Interest held by controlled corporations(Note 5)	H Shares	40,164,000	Long position	30.00%	9.00%
China Resources Inc.(Note 5)	Interest held by controlled corporations(Note 5)	H Shares	40,164,000	Long position	30.00%	9.00%
CRC Bluesky Limited(Note 5)	Interest held by controlled corporations(Note 5)	H Shares	40,164,000	Long position	30.00%	9.00%
China Resources (Holdings) Company Limited(Note 5)	Interest held by controlled corporations(Note 5)	H Shares	40,164,000	Long position	30.00%	9.00%
CRH (Cement) Limited(Note 5)	Interest held by controlled corporations(Note 5)	H Shares	40,164,000	Long position	30.00%	9.00%
China Resources Building Materials Technology Holdings Limited(Note 5)	Interest held by controlled corporations(Note 5)	H Shares	40,164,000	Long position	30.00%	9.00%
China Resources Cement Holdings (Hong Kong) Limited(Note 5)	Beneficial owner(Note 5)	H Shares	40,164,000	Long position	30.00%	9.00%
Kunming Iron & Steel Holdings Co. Ltd.	Beneficial owner	H Shares	12,360,300	Long position	9.23%	2.77%
Hua An Fund Management Co., Ltd.	Others(Note 6)	H Shares	12,350,000	Long position	9.22%	2.77%
	Others(Note 6)	H Shares	8,137,000	Long position	6.08%	1.82%
Total:			20,487,000	Long position	15.30%	4.59%
Hua An Fund – QDII single asset management plan of YCIC Investment	Others(Note 7)	H Shares	8,137,000	Long position	6.08%	1.82%
Yunnan Communications Investment & Construction Group Co., Ltd.(Note 7)	Others(Note 7)	H Shares	8,137,000	Long position	6.08%	1.82%
YCIC Investment Co., Ltd.(Note 7)	Beneficial owner	H Shares	8,137,000	Long position	6.08%	1.82%
	Beneficial owner	H Shares	8,137,000	Loanable shares	6.08%	1.82%

Name	Capacity/Nature of interest	Class of Shares	Number of Shares (share)	Long/Short position	Approximate percentage of the number of the corresponding class of issued Shares	Approximate percentage of shareholding in the total issued share capital
Hua An Fund – QDII single asset management plan of Yunnan State Farms	Others(Note 8)	H Shares	12,350,000	Long position	9.22%	2.77%
Yunnan State Farms Group Co., Ltd.(Note 8)	Beneficial owner	H Shares	12,350,000	Long position	9.22%	2.77%
Yunnan Industrial Investment Holdings Group Co., Ltd.	Beneficial owner	H Shares	12,500,000	Long position	9.34%	2.80%
YUNNAN PROVINCIAL ENERGY INVESTMENT GROUP CO., LTD.(Note 9)	Interest held by controlled corporations(Note 9)	H Shares	12,350,000	Long position	9.22%	2.77%
Yunnan Energy Investment (H K) Co. Limited(Note 9)	Beneficial owner	H Shares	12,350,000	Long position	9.22%	2.77%
HWABAO TRUST CO., LTD.(Note 10)	Trustee(Note 10)	H Shares	12,360,300	Long position	9.23%	2.77%

Notes:

(1) Yunnan SASAC holds 97.35% equity interest in YCIH and Yunnan Provincial Department of Finance (雲南省財政廳) holds 2.65% equity interest in YCIH.

(2) YOIC is wholly-owned by YCIH. By virtue of the SFO, YCIH is deemed to be interested in the 51,450,000 Domestic Shares held by YOIC.

(3) State-owned Assets Administration Commission of Kunming Economic and Technological Development Zone (昆明經濟技術開發區國有資產管理委員會) holds 91.73% equity interest in KMEIC and Yunnan Provincial Department of Finance (雲南省財政廳) holds 8.27% equity interest in KMEIC.

(4) Zoomlion Heavy Industry Science and Technology Co., Ltd. (中聯重科股份有限公司) is the sole shareholder of Zoomlion H.K. Holding Co., Limited (中聯重科(香港)控股有限公司), which in turn is the sole shareholder of Zoomlion International Trading (H.K.) Co., Limited (中聯重科國際貿易(香港)有限公司).

(5) China Resources Company Limited (中國華潤有限公司) is the beneficial owner of the entire issued share capital of China Resources Inc. (華潤股份有限公司), which in turn is the beneficial owner of the entire issued share capital of CRC Bluesky Limited, which in turn is the beneficial owner of the entire issued share capital of China Resources (Holdings) Company Limited (華潤(集團)有限公司), which in turn is the beneficial owner of the entire issued share capital of CRH (Cement) Limited (華潤集團(水泥)有限公司) and Commotra Company Limited (合貿有限公司). CRH (Cement) Limited (華潤集團(水泥)有限公司) directly held approximately 68.63% of the issued share capital of China Resources Building Materials Technology Holdings Limited (華潤建材科技控股有限公司), whereas Commotra Company Limited (合貿有限公司) directly holds approximately 0.09% of the issued share capital of China Resources Building Materials Technology Holdings Limited (華潤建材科技控股有限公司), which in turn is the beneficial owner of the entire issued share capital of China Resources Cement Holdings (Hong Kong) Limited (華潤水泥控股(香港)有限公司).

(6) Hua An Fund Management Co., Ltd. (華安基金管理有限公司) is the asset manager of two asset management plan products, (i) Hua An Fund – QDII single asset management plan of Yunnan State Farms, which has been terminated and entered into liquidation from July 1, 2025; and (ii) Hua An Fund – QDII single asset management plan of YCIC Investment, which has been terminated and entered into liquidation from October 14, 2025.

(7) YCIC Investment Co., Ltd. (雲南交投集團投資有限公司) is wholly-owned by Yunnan Communications Investment & Construction Group Co., Ltd. (雲南省交通投資建設集團有限公司). YCIC Investment Co., Ltd. (雲南交投集團投資有限公司) invested in the underlying Shares issued by the Company as client through Hua An Fund – QDII single asset management plan of YCIC Investment. By virtue of the SFO, Yunnan Communications Investment & Construction Group Co., Ltd. (雲南省交通投資建設集團有限公司) is deemed to be interested in the 8,137,000 H Shares held in the Hua An Fund – QDII single asset management plan of YCIC Investment.

(8) Yunnan State Farms Group Co., Ltd. (雲南農墾集團有限責任公司) invested in the underlying Shares issued by the Company as client through Hua An Fund – QDII single asset management plan of Yunnan State Farms.

(9) Yunnan Energy Investment (H K) Co. Limited is wholly-owned by YUNNAN PROVINCIAL ENERGY INVESTMENT GROUP CO., LTD. By virtue of the SFO, YUNNAN PROVINCIAL ENERGY INVESTMENT GROUP CO., LTD is deemed to be interested in the 12,350,000 H Shares held by Yunnan Energy Investment (H K) Co. Limited.

(10) By virtue of the SFO, HWABAO TRUST CO., LTD, as trustee, is deemed to be interested in the 12,360,300 H Shares held by HWABAO OVERSEAS INVESTMENT SERIES 2 NO 42-8 QDII SINGLE MONEY TRUST.

Save as disclosed above, as at the Latest Practicable Date, to the knowledge of the Directors, no other person (other than the Directors, Supervisors or chief executive of the Company) had any interests or short positions in the Shares or underlying Shares which are required to be disclosed under Divisions 2 and 3 of Part XV of the SFO or recorded in the register as specified in Section 336 of the SFO.

4. DISCLOSURE OF INTEREST OF DIRECTORS AND CHIEF EXECUTIVE

As at the Latest Practicable Date, none of the Directors and chief executive of the Company and their respective associates had any interests and/or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they have taken or which they are deemed to have taken under such provisions of the SFO), or which were required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or otherwise required to be notified to the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers under Appendix C3 to the Listing Rules.

5. DIRECTORS' EMPLOYMENT WITH SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, saved as disclosed below, none of the Directors of the Company was a director, supervisor or employee of a company who had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Name of Director	**Position held in the relevant Shareholder**
Yang Jia	Assistant to the General Manager of YCIH International Department and YOIC
Jin Ming	Full-time external director of KMEIC

6. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors or so far as is known to them, any of their respective close associates (as defined in the Listing Rules) was interested in any business which competes or is likely to compete either directly or indirectly with the Group's business (as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them were a controlling shareholder of the Company).

7. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or terminable within a year without payment of any compensation (other than statutory compensation)).

8. INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE BUSINESS OF THE GROUP

As at the Latest Practicable Date, none of the Directors or Supervisors had any interest in any assets which have been, since December 31, 2024 (being the date to which the latest published audited consolidated financial statements of the Company were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date, which is significant in relation to the business of the Group.

9. EXPERT'S QUALIFICATION AND CONSENT

(a) The following is the qualification of the expert who has given its opinion or advice which is contained in this circular:

Name	Qualifications
VBG Capital Limited	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

(b) As at the Latest Practicable Date, the expert mentioned in paragraph (a) above did not have any shareholding in the Group nor any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in the Group.

(c) The expert has given and has not withdrawn its consent to the issue of this circular, with the inclusion of its letter and references to its name in the form and context in which they appear.

(d) The letter and recommendation given by VBG Capital Limited are given as at the date of this circular for incorporation herein.

(e) The expert did not have direct or indirect interest in any assets which have been acquired or disposed of by, or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group since December 31, 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up.

10. DOCUMENTS ON DISPLAY

Copies of the following document will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.ynhnt.com) for a period of 14 days from the date of this circular:

(i) 2026-2028 Products Sales Framework Agreement; and

(ii) 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement.

雲建綠砼
GHPC

YCIH Green High-Performance Concrete Company Limited
雲南建投綠色高性能混凝土股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1847)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the "**EGM**") of YCIH Green High-Performance Concrete Company Limited (the "**Company**") will be held at 10:00 a.m. on Friday, February 6, 2026 at Conference Room No. 908, 9/F, YCIH Development Building, 188 Linxi Road, Information Industrial Base, Economic and Technological Development Zone, Kunming, Yunnan Province, the PRC to consider and, if appropriate, approve, with or without amendments, the following resolutions. Unless otherwise specified, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated January 19, 2026 (the "**Circular**").

ORDINARY RESOLUTIONS

1. To consider and approve:

(i) The 2026-2028 Products Sales Framework Agreement entered into between the Company and YCIH and the transactions contemplated thereunder (including the proposed annual caps therefor); and

(ii) the Board and person(s) duly authorized by the Board, jointly or severally, doing, approving and implementing all such acts and things as he/she may in his/her discretion consider necessary or desirable in respect of this ordinary resolution 1;

2. To consider and approve:

(i) The 2026-2028 Raw Materials, Products and Services Procurement Framework Agreement entered into between the Company and YCIH and the transactions contemplated thereunder (including the proposed annual caps therefor); and

(ii) the Board and person(s) duly authorized by the Board, jointly or severally, doing, approving and implementing all such acts and things as he/she may in his/her discretion consider necessary or desirable in respect of this ordinary resolution 2.

Details of the resolutions proposed at the EGM are contained in the Circular, which are available on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.ynhnt.com).

By Order of the Board
YCIH Green High-Performance Concrete Company Limited
Li Zhangjian
Chairman

Kunming, China, January 19, 2026

As at the date of this notice, the Board comprises Mr. Li Zhangjian, Mr. Zhang Long, Mr. Liu Zhen and Ms. Wang Fang (employee Director) as executive Directors; Ms. Yang Jia and Mr. Jin Ming as non-executive Directors; and Mr. Wong Kai Yan Thomas, Mr. Yu Dingming and Mr. Li Hongkun as independent non-executive Directors.

Notes:

1. To determine the list of Shareholders entitled to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, February 3, 2026 to Friday, February 6, 2026 (both days inclusive), during which no transfer of Shares will be effected. Shareholders whose names appear on the Company's register of members on Friday, February 6, 2026 shall be entitled to attend and vote at the EGM. To be eligible to attend and vote at the EGM, all transfer documents shall be delivered, no later than 4:30 p.m. on Monday, February 2, 2026 to the H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares), or to the Board office of the Company, at 5/F and 9/F, YCIH Development Building, 188 Linxi Road, Information Industrial Base, Economic and Technological Development Zone, Kunming, Yunnan Province, the PRC (for holders of Domestic Shares).

2. Each Shareholder entitled to attend and vote at the EGM may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the EGM on his/her/its behalf. A proxy need not be a Shareholder. With respect to any Shareholder who has appointed more than one proxy, such proxies may only exercise their voting rights in a poll.

3. The form of proxy shall be signed by the appointer or his/her attorney duly authorized in writing or, in the case of a legal person, must be either executed under its common seal or under the hand of its legal representative, director or attorney duly authorized.

4. In order to be valid, the form of proxy must be deposited, for the holders of H Shares, at the H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, or for the holders of Domestic Shares, at the Board office of the Company at 5/F and 9/F, YCIH Development Building, 188 Linxi Road, Information Industrial Base, Economic and Technological Development Zone, Kunming, Yunnan Province, the PRC not less than 24 hours prior to the holding of the EGM or any adjournment thereof. If the form of proxy is signed by another person under a power of attorney or other authorization documents given by the appointer, such power of attorney or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents shall, together with the form of proxy, be deposited at the specified place at the time set out in such form of proxy. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjourned meetings should they so wish.

5. Shareholders shall produce their identity documents and supporting documents in respect of the Shares held when attending the EGM. If Shareholders appoint an authorized representative to attend the EGM, the authorized representative shall produce his/her identity documents and a notarially certified copy of the relevant authorization instrument signed by the

board of directors of the company or other authorized persons of the Shareholders or other notarially certified documents allowed by the Company. Proxies shall produce their identity documents and the form of proxy signed by the Shareholders or their authorized representative(s) when attending the EGM.

6. The Company shall have the right to request the proxies attending the EGM on behalf of the Shareholders to produce their identity documents.

7. In the case of joint Shareholders, the vote cast by the senior Shareholder, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint Shareholders, and for this purpose seniority shall be determined by the order in which the names of the relevant joint Shareholders stand on the register of members of the Company.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. Therefore, the resolutions set out in the notice of the EGM will be taken by poll.

The H Share Registrar, Computershare Hong Kong Investor Services Limited, is located at Shops 1712 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Tel: +852 2862 8555, Fax: +852 2865 0990.

The contact details of the Board office of the Company are as follows:

Address: 5/F and 9/F, YCIH Development Building, 188 Linxi Road, Information Industrial Base, Economic and Technological Development Zone, Kunming, Yunnan Province, the PRC

Email address: ynhnt@ynhnt.com