Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

LONKING HOLDINGS LIMITED
中國龍工控股有限公司*
(Incorporated in the Cayman Islands with Limited Liability)
(Stock code: 3339)

FURTHER ANNOUNCEMENT IN RELATION TO CONTINUING CONNECTED TRANSACTIONS WITH LONYAN CITY JINLONG MACHINERY COMPANY LIMITED

Reference is made to the announcement of the Company dated 31 December 2025 in relation to the Renewed Master Purchase Agreement between the Company and Jinlong (the "**Announcement**"). Capitalized terms used in this announcement shall have the same meanings as those defined or used in the Announcement unless the context otherwise requires.

As set out in the Announcement, the Directors estimated that the aggregate purchase amount of the Parts to be paid by the Group to Jinlong pursuant to the transactions under the Master Purchase Agreement for each of the three years ending 31 December 2028 would not exceed RMB50 million (including value added tax), RMB60 million (including value added tax) and RMB70 million (including value added tax) (equivalent to approximately HK$55 million, HK$66 million and HK$77 million), respectively. The proposed annual caps were determined with reference to (i) the historical values of such transactions (ii) the purchase price shall remain roughly unchanged and (iii) the estimated increase in the growth of the Group's business and thus the Group's demand for the Parts.

Set out below are further details on each of the factors considered by the Company in determining the annual caps:

(i) With respect to the historical values of transactions, for the three years ended on 31 December 2024, the aggregate purchase amount (including value added tax) paid by the Group to Jinlong for the purchase of the Parts amounted to approximately RMB54 million, RMB25 million and RMB24 million (equivalent to approximately HK$60 million, HK$28 million and HK$27 million), respectively. Based on the actual purchase amount in October 2025, the Group forecasted that the aggregate purchase amount of the Parts (including value added tax) to be paid by the Group to Jinlong as at 31 December 2025 would be approximately RMB31 million.

* *For identification purposes only*

(ii) With respect to the purchase price, it was assumed that the purchase price shall remain roughly unchanged. The Directors are of the view that such assumption is reasonable taking into account the purchase price of the Parts paid by the Group to Jinlong in the past three years.

(iii) Lastly, the annual caps have been determined after taking into account the estimated increase in the growth of the Group's business and thus the Group's demand for the Parts, which is the primary driver for larger annual caps for the three years ending 31 December 2028, as compared with the historical values of transactions for the three years ended 31 December 2025. The construction machinery industry has experienced a downward cycle for several years. However, according to the statistics of the China Construction Machinery Association, the domestic market demand has bottomed out and stabilized, showing a recovery trend in 2025. While some overseas markets are facing temporary pressure on growth rates, they maintain an overall upward trend and the overall medium to long-term outlook remains positive. Based on the industry stabilization, the Company estimates that the construction machinery sector may encounter new development opportunities over the next three years. Consequently, the Company has adopted a relatively optimistic forecast. Based on the management's expectation of normal transaction levels in an upward cycle of the construction machinery, and consistent with broader market anticipation of an industry rebound, the Company has set the starting annual cap for the year ending 31 December 2026 at RMB50 million which aligns closely with the historical purchase amount for the year ended 31 December 2022 of approximately RMB54 million as mentioned in (i) above, with a moderate 16 to 20% increase in each subsequent year, resulting in a RMB60 million annual cap for the year ending 31 December 2027 and a RMB70 million annual cap for the year ending 31 December 2028.

The Directors (including the independent non-executive Directors) are of the view that the annual caps align with the market expectation of the industry rebound, and have been determined based on unit prices that are comparable to or lower than historical averages, ensuring that the Group will not pay a premium to the connected person. Taking into consideration the foregoing, the Directors (including the independent non-executive Directors) are of the view that the proposed annual caps of the transactions contemplated under the Renewed Master Purchase Agreement are fair and reasonable.

By order of the Board
Lonking Holdings Limited
Yin Kun Lun
Executive Director

Hong Kong, 21 January 2026

As at the date of this announcement, Mr. Li San Yim, Mr. Zheng Kewen, Mr. Chen Chao and Mr. Yin Kun Lun are the executive Directors; Ms. Ngai Ngan Ying is the non-executive Director; and Dr. Qian Shizheng, Mr. Wu Jian Ming and Mr. Yu Tai Wei are the independent non-executive Directors.