八马茶业
BAMA TEA

BAMA TEA CO., LTD.
八馬茶業股份有限公司

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

(Stock Code: 6980)

CONTINUING CONNECTED TRANSACTIONS
THE TEA PURCHASE AND SALE FRAMEWORK AGREEMENT

THE TEA PURCHASE AND SALE FRAMEWORK AGREEMENT

The Board is pleased to announce that on January 27, 2026 (after trading hours), the Company entered into the Tea Purchase and Sale Framework Agreement with Chayuan Technology (a connected subsidiary of the Company), pursuant to which the Group will supply tea leaves to Chayuan Technology from time to time during the term of the Tea Purchase and Sale Framework Agreement, which will commence on January 27, 2026, and continue until December 31, 2028.

LISTING RULES IMPLICATIONS

Chayuan Technology is a 70%-owned subsidiary of the Company, with the remaining 30% equity interests held by Yiye Guanshan, a limited partnership established in the PRC on March 24, 2025. Yiye Guanshan is managed by Mr. Wu Junhui (吳俊暉) as the general partner and owned as to 83.3% partnership interests by Mr. Wu Junhui and 16.7% partnership interests by Mr. Wang Wenji (王文吉) as a limited partner. Mr. Wu Junhui is the son of Ms. Wang Xiaoping (王小萍), one of the Controlling Shareholders. Mr. Wang Wenji is the executive director of Quanzhou Bama, Bama Xiandai, Tianjin Xin Bama, and the manager of Fujian Bama, and the cousin of Mr. Wang Wenbin (王文彬), Mr. Wang Wenli (王文禮) and Mr. Wang Wenchao (王文超) (each being a Director and Controlling Shareholder), Mr. Wu Qingbiao (吳清標) and Mr. Wang Wenlong (王文龍) (each being a Director) and Ms. Wang Xiaoping (one of the Controlling Shareholders). Considering that Yiye Guanshan is a connected person of the Company at the issuer level controlling 30% of the voting power at the general meeting of Chayuan Technology, Chayuan Technology is therefore a connected person of the Company under Rule 14A.07(5) of the Listing Rules. As a result, the transactions under the Tea Purchase and Sale Framework Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratios for the transactions contemplated thereunder exceed 0.1% but are less than 5%, the transactions contemplated under the Tea Purchase and Sale Framework Agreement are subject to reporting, annual review and announcement requirements but exempt from circular (including advice from independent financial adviser) and independent Shareholders' approval under Chapter 14A of the Listing Rules.

INTRODUCTION

On January 27, 2026 (after trading hours), the Company entered into the Tea Purchase and Sale Framework Agreement with Chayuan Technology, pursuant to which the Group will supply tea leaves to Chayuan Technology from time to time during the term of the Tea Purchase and Sale Framework Agreement.

The Tea Purchase and Sale Framework Agreement

The principal terms of the Tea Purchase and Sale Framework Agreement are set out as follows:

Date: January 27, 2026

Parties:

(i) The Company; and

(ii) Chayuan Technology

Term: From January 27, 2026 to December 31, 2028

Nature of Transactions: Under the Tea Purchase and Sale Framework Agreement, the Company and/or its subsidiary(ies) will supply tea leaves to Chayuan Technology, in accordance with the terms set out in the separate agreement(s).

The Tea Purchase and Sale Framework Agreement is a framework agreement setting out the principles, mechanisms and terms for the contemplated transactions. During the term of the Tea Purchase and Sale Framework Agreement, the Group and Chayuan Technology may enter into separate purchase and sale agreements for individual transactions, specifying, among other things, payment terms, prices, and quantities of tea leaves to be supplied. Such separate agreements shall be governed by the overarching terms and conditions of the Tea Purchase and Sale Framework Agreement.

Pricing Basis: The prices for each transaction under the Tea Purchase and Sale Framework Agreement will be determined in the ordinary course of business, on normal commercial terms or on terms no less favourable to the Group, and negotiated on an arm's length basis.

The pricing will be determined with reference to the following principles:

(i) the Group's procurement and production costs for tea leaves;

(ii) a reasonable gross profit margin ranging from 7% to 12% as mutually agreed between the parties on an arm's-length and equitable basis; and

(iii) the prices at which the Group sells similar products to Independent Third Parties in the market.

Termination:	The Tea Purchase and Sale Framework Agreement shall remain in force until (i) its expiry; or (ii) a material breach by one party, where the non-breaching party issues written notice and the breaching party fails to remedy the breach within a reasonable time, in which case the non-breaching party may terminate the agreement. The Tea Purchase and Sale Framework Agreement may be extended by mutual consent of the parties, subject to the compliance with the Listing Rules.
Payment Terms:	All payments for the supply of tea leaves under the Tea Purchase and Sale Framework Agreement will be made in accordance with the separate agreements to be entered into for each transaction.

Historical Amount

In November and December 2025, Chayuan Technology was in its trial operation phase and needed to provide tea samples to its customers for product testing only. As a result, it purchased tea leaves on one-off basis from the Group with total transaction amounts of approximately RMB261,400 for the year ended December 31, 2025. Aside from the above, as of the date of this announcement, there have been no other sales of tea leaves from the Group to Chayuan Technology. The Company did not expect to enter into continuing transactions with Chayuan Technology when such one-off transactions occured in 2025.

Annual Caps and Basis for Determination

Under the Tea Purchase and Sale Framework Agreement, the Annual Caps for the supply of tea leaves are as follows:

Fiscal year	**Annual Caps**
	(RMB'000)
For the year ending December 31, 2026	27,000
For the year ending December 31, 2027	55,000
For the year ending December 31, 2028	87,000

Given that the transactions in 2025 occurred during the trial operation phase of Chayuan Technology with limited transaction volume and value, and considering that Chayuan Technology will officially commence production and operations in 2026, the Board believes that the procurement volume of Chayuan Technology in 2026 will significantly increase with full operations. Therefore, forming the Annual Caps based on the small amount of transactions during the trial operation phase in 2025 will likely result in an inaccurate estimation. The Annual Caps are determined with reference to, among others: (i) the projected market size and growth rate of the fresh tea beverage and ready-to-drink tea markets over the next three years, which is expected to maintain a favourable trend based on the management's judgment of the market considering, among others, innovation of the relevant products, growth of consumer groups and improvement of purchase power, driving stable demand for upstream raw materials (including tea base, concentrated tea powder or tea extract); (ii) the ongoing and steady engagement between Chayuan Technology and relevant downstream customers, with anticipated sufficient order volumes; (iii) the Company's in-house factory having successfully passed the supplier qualification review of relevant downstream customers, ensuring its ability to continuously supply and deliver the products to such customers; and (iv) the recognition of the Company's products by customers, based on the Company's brand influence and product quality assurance in the tea industry.

INTERNAL CONTROL MEASURES

In order to ensure that the terms for the purchase and sale of tea leaves under the Tea Purchase and Sale Framework Agreement are not less favourable to the Group comparing with transactions between the Group and Independent Third Parties, the Company has adopted the following measures:

(1). the finance department and the Board office (董事會辦公室) will track and monitor ongoing transactions contemplated thereunder to ensure compliance with the Annual Caps. Additionally, the business and finance departments will regularly assess product pricing, raw material costs, and profit margins to ensure they remain reasonable;

(2). all separate agreements to be entered into under the Tea Purchase and Sale Framework Agreement will undergo an internal review and approval process, involving key departments, including the initiating department, the production department, the general manager, legal and risk control department, finance department, and the Board office, to ensure compliance with agreed pricing policies and terms;

(3). the Board office will periodically report to the audit committee of the Board on the status of continuing connected transactions, pricing strategies and the review process during the year. The Company's auditors will review and report on, among others, the pricing and annual caps of continuing connected transactions during the year to ensure compliance with established terms and with Rule 14A.56 of the Listing Rules;

(4). the Board, with the assistance of the internal control department, will annually review and assess the internal control procedures for connected transactions during the year; and

(5). the independent non-executive Directors will conduct an annual review of continuing connected transactions in accordance with Rule 14A.55 of the Listing Rules and confirm in the annual report that the relevant transactions during the year are conducted in the ordinary and usual course of business, on normal or more favourable commercial terms, in line with the Tea Purchase and Sale Framework Agreement, and are fair and reasonable and in the best interests of the Company and its Shareholders as a whole.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TEA PURCHASE AND SALE FRAMEWORK AGREEMENT

The Board (including the independent non-executive Directors) believes that the terms of the Tea Purchase and Sale Framework Agreement are fair and reasonable, on normal or more favourable commercial terms, in the ordinary and usual course of business of the Group and is in the best interests of the Company and its Shareholders as a whole. The transactions contemplated thereunder will support, the Group's supply business for sugar-free tea ingredients (such as tea base, concentrated tea powder or tea extract), facilitating the increase of the Group's market share in the tea industry and creating additional growth opportunities. This collaboration represents a proactive expansion of businesses, contributing to incremental performance and enhancing the Group's overall operational resilience. It supports the long-term, stable development of the Group's business and provides clarity for the Group's future business development and strategic planning. The Board also considers that the Annual Caps under the Tea Purchase and Sale Framework Agreement are fair and reasonable. As Mr. Wu Junhui (the general partner of Yiye Guanshan) and Mr. Wang Wenji (the limited partner of Yiye Guanshan) are family members of Mr. Wang Wenli, Mr. Wu Qingbiao, Mr. Wang Kunheng, Mr. Wang Wenchao, Mr. Wang Wenlong and Mr. Wang Wenbin (each being a Director), each of Mr. Wang Wenli, Mr. Wu Qingbiao, Mr. Wang Kunheng, Mr. Wang Wenchao, Mr. Wang Wenlong and Mr. Wang Wenbin is considered to have material interests in the transactions under the Tea Purchase and Sale Framework Agreement and therefore has abstained from voting on the relevant Board resolution. Save as disclosed above, none of the Directors have a material interest in the transactions under the Tea Purchase and Sale Framework Agreement and hence no other Director is required to abstain from voting on the relevant Board resolution.

INFORMATION ON THE COMPANY AND THE GROUP

The Company is a limited liability company established in the PRC on July 28, 1997, and was converted into a joint stock limited liability company on September 10, 2014. BAMA is a leading and well-known tea brand in China. The Group is committed to introducing to people around the world the wellbeing and joy brought by tea. Through the Group's nationwide offline store network and comprehensive online sales platforms, the Group offers high-quality Chinese tea across a product portfolio that includes all major tea leaf categories in China, such as Oolong tea, dark tea, black tea, green tea, white tea, and yellow tea. In addition, the Group offers non-tea-leaf products, including tea ware, tea snacks, and tea beverages.

INFORMATION ON CHAYUAN TECHNOLOGY

Chayuan Technology is a 70%-owned subsidiary of the Company, established as a limited liability company in the PRC on May 12, 2025. It is principally engaged in the bulk tea raw material trade, serving fresh tea beverage and ready-to-drink tea customers by supplying customized tea base ingredients. Since its incorporation, Chayuan Technology has been in its trial operation phase, with full-scale operations expected to commence in the second quarter of 2026.

LISTING RULES IMPLICATIONS

Chayuan Technology is a 70%-owned subsidiary of the Company, with the remaining 30% equity interests held by Yiye Guanshan, a limited partnership established in the PRC on March 24, 2025. Yiye Guanshan is managed by Mr. Wu Junhui as the general partner and owned as to 83.3% partnership interests by Mr. Wu Junhui and 16.7% partnership interests by Mr. Wang Wenji as a limited partner. Mr. Wu Junhui is the son of Ms. Wang Xiaoping, one of the Controlling Shareholders. Mr. Wang Wenji is the executive director of Quanzhou Bama, Bama Xiandai, Tianjin Xin Bama, and the manager of Fujian Bama, and the cousin of Mr. Wang Wenbin, Mr. Wang Wenli and Mr. Wang Wenchao (each being a Director and Controlling Shareholder), Mr. Wu Qingbiao and Mr. Wang Wenlong (each being a Director) and Ms. Wang Xiaoping (one of the Controlling Shareholders). Considering that Yiye Guanshan is a connected person of the Company at the issuer level controlling 30.00% of the voting power at the general meeting of Chayuan Technology, Chayuan Technology is therefore a connected person of the Company under Rule 14A.07(5) of the Listing Rules. As a result, the transactions under the Tea Purchase and Sale Framework Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratios for the transactions contemplated thereunder exceed 0.1% but are less than 5%, the transactions contemplated under the Tea Purchase and Sale Framework Agreement are subject to reporting, annual review and announcement requirements but exempt from circular (including advice from independent financial adviser) and independent Shareholders' approval under Chapter 14A of the Listing Rules.

DEFINITIONS

"Annual Caps"	the proposed annual caps under the Tea Purchase and Sale Framework Agreement, being RMB27,000,000, RMB55,000,000 and RMB87,000,000, respectively, for the years ended December 31, 2026, 2027 and 2028
"Bama Xiandai"	Fujian Anxi Bama Xiandai Agriculture Development Co., Ltd.(福建安溪八馬現代農業綜合開發有限公司), a limited liability company established under the laws of the PRC on October 15, 2010, and a wholly-owned subsidiary of Fujian Bama
"Board"	the board of Directors of the Company as constituted from time to time, or, as the context requires, the majority of Directors present and voting at a meeting of the Directors at which a quorum is present
"Chayuan Technology"	Shenzhen Chayuan Technology Co., Ltd. (深圳市茶源科技有限公司), a limited liability company established under the laws of the PRC on May 12, 2025, and held as to 70% by the Company and 30% by Yiye Guanshan
"China" or "PRC"	the People's Republic of China, excluding, for the purpose of this announcement, Hong Kong, Macau and Taiwan
"Company"	Bama Tea Co., Ltd. (八馬茶業股份有限公司), a limited liability company established in the PRC on July 28, 1997 and converted into a joint stock limited liability company on September 10, 2014. It is a public company listed on the Stock Exchange (stock code: 6980)
"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules and unless the context requires otherwise, refers to the controlling Shareholders of the Company, namely Mr. Wang Wenbin, Mr. Wang Wenli, Ms. Chen Yajing, Ms. Wu Xiaoning, Mr. Wang Wenchao and Ms. Wang Xiaoping
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"Tea Purchase and Sale Framework Agreement"	an agreement dated January 27, 2026 entered into between the Company and Chayuan Technology in relation to the supply of tea leaves by the Group to Chayuan Technology, effective from January 27, 2026 to December 31, 2028
"Fujian Bama"	Fujian Bama Tea Co., Ltd. (福建八馬茶業有限公司), a limited liability company established under the laws of the PRC on September 8, 2010, and a wholly-owned subsidiary of the Company
"Group"	collectively, the Company and its subsidiaries

"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
"Independent Third Party(ies)"	individual(s) or company(ies) not connected with (within the meaning of the Listing Rules) any Director, chief executive or substantial shareholder of the Company or any of its subsidiaries or any of their respective associates
"Quanzhou Bama"	Quanzhou Bama Tea Co., Ltd. (泉州八馬茶業有限公司), a limited liability company established under the laws of the PRC on July 5, 2016, and a wholly-owned subsidiary of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	the shareholder(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
"Tianjin Xin Bama"	Tianjin Xin Bama Tea Co., Ltd. (天津鑫八馬茶業有限公司), a limited liability company established under the laws of the PRC on September 13, 2022, and a wholly-owned subsidiary of the Company
"Yiye Guanshan"	Shenzhen Yiye Guanshan Investment Partnership (Limited Partnership) (深圳市一葉觀山投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on March 24, 2025. Its general partner is Mr. Wu Junhui (吳俊暉) holding 83.30% partnership interest, and its limited partner is Mr. Wang Wenji (王文吉) holding 16.70% partnership interest
"%"	per cent

By order of the Board
Bama Tea Co., Ltd.
Mr. Wang Wenli
Chairman of the Board and Executive Director

Hong Kong, January 27, 2026

As at the date of this announcement, the Board comprises: (i) Mr. Wang Wenli, Mr. Wu Qingbiao, Mr. Wang Kunheng, Mr. Wang Wenchao and Mr. Wang Wenlong as executive Directors; (ii) Mr. Wang Wenbin as non-executive Director; and (iii) Ms. Chiu Mun Wai, Ms. Tong Naqiong and Mr. Wang Yuefei as independent non-executive Directors.