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.

中煙國際（香港）有限公司
China Tobacco International (HK) Company Limited
(incorporated in Hong Kong with limited liability)
(Stock code: 6055)

CONTINUING CONNECTED TRANSACTIONS
UPDATE ON EXCLUSIVE CIGARETTES EXPORT BUSINESS

Reference is made to the announcement of the Company dated 27 July 2025.

On 12 September 2025, the STMA announced that the Regulations will become effective on 1 January 2026 with an implementation transition period of six months, where compliance with the Regulations will be required from 1 July 2026. Pursuant to the Regulations, the Policy Interpretation of the Regulations (《境內免税市場煙草製品管理辦法》政策解讀) of the STMA and existing laws and regulations of the PRC, CTI is the sole enterprise qualified for state trading in export of cigarettes to the Chinese Domestic Duty-free Market.

Prior to the implementation of the Regulations, as disclosed in the Prospectus, the Company had entered into Framework Agreements with relevant Counterparties, pursuant to which the Company procures cigarettes from the Counterparties and exports such cigarettes to the Exclusive Operating Regions for Cigarettes (which consists of the Overseas Duty-free Market and the Chinese Domestic Duty-free Market). The Stock Exchange granted the Existing Waivers to the Company, pursuant to which the continuing connected transactions under the Framework Agreements are not subject to the requirements in relation to announcement, annual cap and independent shareholders' approval and the term of such transactions shall be indefinite.

Pursuant to the Framework Agreements, if any of the Counterparties does not possess export qualifications, such entity shall entrust a company with the relevant export qualifications to negotiate with the Company and enter into relevant individual agreements under the Framework Agreements in respect of the export of cigarettes.

To continue exporting cigarettes to the Chinese Domestic Duty-free Market through the Company pursuant to the No. 60 Notice and the Framework Agreements, the Counterparties will enter into agency agreements with CTI. Under such agency agreements, CTI, who possesses export qualifications under the Regulations, will act as agent of the relevant Counterparties, and enter into individual agreements under the Framework Agreements with the Company and the Counterparties, to provide cigarettes manufactured by the Counterparties for export to the Chinese Domestic Duty-free Market. Any cost of such agency arrangement will be negotiated between CTI and the Counterparties, and will be borne by the Counterparties. The terms and pricing policies in respect of transactions under the Framework Agreements will remain unaffected, despite the agency arrangements between CTI and the Counterparties.

The Company has applied to the Stock Exchange for, and the Stock Exchange has confirmed, that the Existing Waivers remain in effect notwithstanding the Regulations becoming effective on 1 January 2026 and the expected agency arrangements between CTI and the Counterparties.

UPDATE ON EXCLUSIVE CIGARETTES EXPORT BUSINESS

Reference is made to the announcement of the Company dated 27 July 2025.

On 12 September 2025, the STMA announced that the Regulations will become effective on 1 January 2026 with an implementation transition period of six months, where compliance with the Regulations will be required from 1 July 2026. Pursuant to the Regulations, the Policy Interpretation of the Regulations (《境內免税市場煙草製品管理辦法》政策解讀) of the STMA and existing laws and regulations of the PRC, CTI is the sole enterprise qualified for state trading in export of cigarettes to the Chinese Domestic Duty-free Market.

Prior to the implementation of the Regulations, as disclosed in the Prospectus, the Company had entered into Framework Agreements with relevant Counterparties, pursuant to which the Company procures cigarettes from the Counterparties and exports such cigarettes to the Exclusive Operating Regions for Cigarettes (which consists of the Overseas Duty-free Market and the Chinese Domestic Duty-free Market). The Stock Exchange granted the Existing Waivers to the Company, pursuant to which the continuing connected transactions under the Framework Agreements are not subject to the requirements in relation to announcement, annual cap and independent shareholders' approval and the term of such transactions shall be indefinite.

Pursuant to the Framework Agreements, if any of the Counterparties does not possess export qualifications, such entity shall entrust a company with the relevant export qualifications to negotiate with the Company and enter into relevant individual agreements under the Framework Agreements in respect of the export of cigarettes.

In light of the Regulations, it is expected that:

(i) *In respect of cigarette procurement transactions for onward sales to the Chinese Domestic Duty-free Market* – to continue exporting cigarettes to the Chinese Domestic Duty-free Market through the Company pursuant to the No. 60 Notice and the Framework Agreements, the Counterparties will enter into agency agreements with CTI. Under such agency agreements, CTI, who possesses export qualifications under the Regulations, will act as agent of the relevant Counterparties, and enter into individual agreements under the Framework Agreements with the Company and the Counterparties, to provide cigarettes manufactured by the Counterparties for export to the Chinese Domestic Duty-free Market. Any cost of such agency arrangement will be negotiated between CTI and the Counterparties, and will be borne by the Counterparties. The terms and pricing policies in respect of transactions under the Framework Agreements will remain unaffected, despite the agency arrangements between CTI and the Counterparties.

(ii) *In respect of cigarette procurement transactions for onward sales to the Overseas Duty-free Market under the Framework Agreements* – the Company expects that there will be no impact on the operation of the procurement of cigarettes from the Counterparties for onward sales to the Overseas Duty-free Market under the Regulations.

The Company has applied to the Stock Exchange, and the Stock Exchange has confirmed, that the Existing Waivers remain in effect notwithstanding the Regulations becoming effective on 1 January 2026 and the expected agency arrangements between CTI and the Counterparties, for the following reasons:

(i) **No change in cigarette procurement transactions for onward sales to the Overseas Duty-free Market under the Framework Agreements** – the procurement of cigarettes from the Counterparties for onward sales to the Overseas Duty-free Market under the Framework Agreements is not expected to be impacted by the Regulations. The terms of the Framework Agreements, transactions contemplated thereunder and pricing policies, among others, will remain the same, regardless of the Regulations. Accordingly, the basis of and rationale for the Existing Waivers will continue to apply to the procurement of cigarettes from the Counterparties for onward sales to the Overseas Duty-free Market, irrespective of the Regulations.

(ii) **Cigarette procurement transactions for onward sales to Chinese Domestic Duty-free Market under the Framework Agreements will remain unaffected** – despite the agency arrangements between CTI and the Counterparties regarding supply of cigarettes to the Company for the export to the Chinese Domestic Duty-free Market, the terms and pricing policies in respect of transactions under the Framework Agreements will remain unaffected. Such agency arrangements between CTI and the Counterparties are merely due to the export qualification requirements under the Regulations, and does not impact transactions under the Framework Agreements in any material respect. Further, the Framework Agreements also provide that if the Counterparties do not possess export qualifications, they shall entrust a company with relevant export qualifications to enter into relevant individual agreements under the Framework Agreements with the Company. The agency

arrangements between CTI and the Counterparties are therefore made in accordance with the terms of the Framework Agreements. Save for such agency arrangements, the Company's procurement transactions for onward sales to the Chinese Domestic Duty-free Market will be unchanged. Accordingly, the basis of and rationale for the Existing Waivers will continue to apply to the procurement of cigarettes from CTI as agent of the Counterparties for onward sales to the Chinese Domestic Duty-free Market.

(iii) **No material impact on the revenue of the Company in the Exclusive Cigarettes Export Business** – to continue sustainable operation and maintain the revenue of the Exclusive Cigarettes Export Business, as well as to ensure that the prices offered to the Company are fair and reasonable for transactions under the Framework Agreements, in addition to adhering to the pricing policies under the Framework Agreements, any costs concerning the agency arrangements between CTI and the Counterparties will be borne by the Counterparties, and CTI will also not charge any fees to the Company for such arrangements. The Company therefore expects that there will be no material impact on its revenue in the Exclusive Cigarettes Export Business under the Framework Agreements, despite the agency arrangements between CTI and the Counterparties.

(iv) **The Existing Waivers are in the interests of the Company and its shareholders as a whole** – to maintain the Company's existing business and continue to realise value for the shareholders of the Company under the Exclusive Cigarettes Export Business, the Company expects to continue the procurement of cigarettes from the Counterparties. The Existing Waivers and the long-term arrangement under the Framework Agreements are critical to the sustainability of the Company's business and can ensure smooth and continued operations, bring certainty as well as stable revenue and cash flows in the Exclusive Cigarettes Export Business. The Framework Agreements also provide the Company with exclusivity as well as protection against competition in the Exclusive Cigarettes Export Business. It is therefore in the interest of the Company and its shareholders as a whole to continue transactions under the Framework Agreements and Existing Waivers, and with the agency arrangements between CTI and the Counterparties, such transactions can continue to be conducted in substantially the same manner. Any alteration to the Framework Agreements or the Existing Waivers may give rise to unnecessary and substantial uncertainty to the Exclusive Cigarettes Export Business and therefore will not be in the best interests of the Company and its shareholders as a whole.

(v) **The occurrence of connected transactions is inevitable as a result of the State Monopoly Regime, the Tobacco Monopoly Law, the Regulations and the No. 60 Notice** – Under the State Monopoly Regime, CNTC Group is the only entity authorized to engage in the production, distribution, sale, import and export of tobacco monopoly commodities in the PRC. Under the Regulations, CTI is the sole enterprise qualified for state trading in export of cigarettes to the Chinese Domestic Duty-free Market. In addition, pursuant to the No. 60 Notice, the Company has been designated as the exclusive operating entity of Exclusive Cigarettes Export Business for CNTC Group. As such, in respect of export of cigarettes to the Overseas Duty-free Market by the Counterparties, it remains that under the No. 60 Notice, the Counterparties shall conduct export through the Company only. In respect of export of cigarettes to the Chinese Domestic Duty-free

Market, the Counterparties must collaborate with CTI, who has appropriate export qualifications, and supply cigarettes to the Company under the Framework Agreements, in compliance with the Regulations and the No. 60 Notice. In contrast, procurement of cigarettes from independent third parties for sales to the Overseas Duty-free Market or the Chinese Domestic Duty-free Market is infeasible under the State Monopoly Regime, the Tobacco Monopoly Law, the Regulations and the No. 60 Notice. If the Existing Waivers were modified or revoked, it will be unduly burdensome for the Company to procure cigarettes to satisfy demand of independent third-party customers in the Overseas Duty-free Market and Chinese Domestic Duty-free Market. Accordingly, the connected transactions under the Framework Agreements are the inevitable results of compliance with the State Monopoly Regime, the Tobacco Monopoly Law, the Regulations and the No. 60 Notice. Subjecting the Framework Agreements to different requirements from the Existing Waivers would restrict the continued development of the Company's Exclusive Cigarettes Export Business.

(vi) **Unique background of the Company and the Existing Waivers** – As disclosed in the Prospectus, the Company has a unique role and business model as part of CNTC Group's monopoly in the PRC. In addition, due to the State Monopoly Regime, the Company has no feasible alternative but to procure from its connected persons for its Exclusive Cigarettes Export Business. The Regulations has been formulated pursuant to, and also forms part of the State Monopoly Regime. Such regulations do not prescribe any definite term for the exclusive operation arrangements, which is intended to be a long-term arrangement. It was in recognition of the unique background of the Company that the Stock Exchange agreed to grant the Existing Waivers on a unique set of terms. As the State Monopoly Regime remain in place, and the Company's business model of the Exclusive Cigarettes Export Business will continue in substantially the same manner under the Framework Agreements, it would be unfairly prejudicial to the Company, if the Existing Waivers were modified or revoked. Further, due to the unique nature of the State Monopoly Regime, this waiver would be specific to the Company and would not be of general application to other listed issuers.

(vii) **Corporate governance measures will continue to be applied to procurement transactions under the Framework Agreements** – The Company will continue to apply corporate governance measures equally to all procurement transactions in its Exclusive Cigarettes Export Business, whether in respect of onward sales to the Overseas Duty-free Market or the Chinese Domestic Duty-free Market, so as to ensure the fairness and reasonableness of all such connected transactions. Such measures include, among others, (i) periodical review and confirmation by independent non-executive directors; (ii) establishment of connected transactions control committee; (iii) information disclosure; (iv) re-compliance with the Listing Rules in the event of material changes to the terms of the agreements; (v) annual review by external auditors; and (vi) optimizing internal control. Please refer to "Connected Transactions – Corporate Governance Policies and Other Measures to Protect the Interests of Shareholders" of the Prospectus for details of such corporate governance policies and other measures.

Save for the agency arrangements between CTI and the Counterparties due to the export qualification requirements under the Regulations, there is no change expected in respect of cigarette procurement transactions for onward sales to the Chinese Domestic Duty-free Market in the Exclusive Cigarettes Export Business.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

"Board"	the board of Directors of the Company
"Chinese Domestic Duty-free Market"	the duty-free outlets within the borders, but outside the customs areas, of the Chinese Mainland
"Chinese Mainland"	PRC excluding Hong Kong, Macau and Taiwan
"CNTC"	China National Tobacco Corporation*(中國煙草總公司), an enterprise incorporated in the PRC, and the sole shareholder of CTI and CTIG and the ultimate controlling shareholder of the Company. CNTC is wholly owned by the State Council of the PRC
"CNTC Group"	CNTC and its subsidiaries
"Company"	China Tobacco International (HK) Company Limited(中煙國際(香港)有限公司), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 6055)
"Counterparties"	the counterparties to the Framework Agreements, which are relevant entities under CNTC that are cigarette manufacturer entities
"CTI"	China Tobacco International Inc.*(中國煙草國際有限公司), a company incorporated with limited liability in the PRC on 6 November 1984 and a wholly-owned subsidiary of CNTC
"CTIG"	China Tobacco International Group Limited*(中煙國際集團有限公司), the controlling shareholder of the Company and a wholly-owned subsidiary of CNTC
"Director(s)"	the director(s) of the Company

"Exclusive Cigarettes Export Business"	The Group's exclusively operated export business of duty-free cigarettes, which are procured from the CNTC Group and finally sold to the Exclusive Operating Regions for Cigarettes
"Exclusive Operating Regions for Cigarettes"	the Chinese Domestic Duty-free Market and the Overseas Duty-free Market
"Existing Waivers"	the waiver from strict compliance with the requirement to set a term of not exceeding three years under Rule 14A.52 and requirements to set monetary annual caps under Rule 14A.53 under the Listing Rules, and a waiver from strict compliance with the requirements of announcement and independent shareholders' approval in accordance with Rule 14A.105 of the Listing Rules in respect of, among others, the transactions under the Framework Agreements. Details of the Existing Waivers are set out in the section headed "Connected Transactions" of the Prospectus
"Framework Agreements"	the cigarettes export business exclusive operation and long-term supply framework agreements entered into entered into between the Company and the Counterparties
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Implementation Measures"	the Implementation Measures of the Tobacco Monopoly Law of the PRC(中華人民共和國煙草專賣法實施條例), as promulgated by the State Council on 3 July 1997 and effective on the same day, as amended, supplemented and otherwise modified from time to time
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Macau"	the Macau Special Administrative Region of the PRC
"No. 60 Notice"	the Notice Regarding the Operations of China Tobacco International (HK) Company Limited (Zhongyanban [2018] No. 60)(中國煙草總公司關於中煙國際(香港)有限公司運營的通知(中煙辦[2018]60號)) issued by CNTC on 22 March 2018
"Overseas Duty-free Market"	the duty-free outlets of the Kingdom of Thailand, the Republic of Singapore, Hong Kong and Macau

"PRC" or "China"	the People's Republic of China
"Prospectus"	the prospectus dated 28 May 2019 issued by the Company
"Regulations"	the Measures for the Administration of Tobacco Products in Domestic Duty-free Markets (《境內免税市場煙草製品管理辦法》) promulgated by the STMA
"Southeast Asia"	Indonesia, the Philippines, Malaysia, Vietnam, Cambodia, Laos, Myanmar, Thailand, Singapore, Brunei, the Democratic Republic of Timor-Leste and other countries
"State Monopoly Regime"	State tobacco monopoly regime of the PRC prescribed by the Tobacco Monopoly Law and the Implementation Measures, in accordance to which the production, sale, import and export of tobacco monopoly commodities in the PRC are subject to State monopoly under law
"STMA"	the State Tobacco Monopoly Administration of the PRC (國家煙草專賣局)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Taiwan"	The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu
"Tobacco Monopoly Law"	the Tobacco Monopoly Law of the PRC (中華人民共和國煙草專賣法), as promulgated by the Standing Committee of the National People's Congress on 29 June 1991 and effective on 1 January 1992, as amended, supplemented and otherwise modified from time to time

In this announcement, the English translation of an entity's or a company's name in Chinese which is marked with "" is for identification purpose only. If there is any inconsistency between the Chinese names of entities or companies established in the PRC and their English translations, the Chinese names shall prevail.*

By order of the Board
China Tobacco International (HK) Company Limited
Shao Yan
Chairman

Hong Kong, 13 February 2026

As at the date of this announcement, the Board comprises Mr. Shao Yan, as chairman and non-executive director, Mr. Dai Jiahui, Mr. Wang Chengrui, Mr. Xu Zengyun and Ms. Mao Zilu as executive directors, and Mr. Chow Siu Lui, Mr. Wang Xinhua, Mr. Qian Yi and Ms. He Junhua as independent non-executive directors.