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南山鋁業國際
NANSHAN ALUMINIUM INTL.

Nanshan Aluminium International Holdings Limited
南山鋁業國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2610)

**REVISION OF ANNUAL CAPS FOR THE
CONSTRUCTION SERVICES FRAMEWORK AGREEMENT**

**REVISION OF ANNUAL CAPS FOR THE CONSTRUCTION SERVICES
FRAMEWORK AGREEMENT**

References are made to the Prospectus and the 2025 Annual Report of the Company, which contain the details of the Construction Services Framework Agreement entered into among the Company (for itself and as trustee for each member of the Group), Mr. George Santos, Mr. Santony, and MKU (for itself and as trustee for each member of the MKU Group) on 10 March 2025.

As the actual transaction amount of the transactions contemplated under the Construction Services Framework Agreement may exceed the existing annual caps, on 30 September 2026, the Company (for itself and as trustee for each member of the Group) entered into the Supplemental Agreement to the Construction Services Framework Agreement with Mr. George Santos, Mr. Santony, and MKU (for itself and as trustee for each member of the MKU Group) to revise the annual caps in respect of the two years ending 31 December 2026 and 2027 respectively under the Construction Services Framework Agreement.

LISTING RULES IMPLICATIONS

As at the date of this announcement, (a) Mr. George Santos is a non-executive Director, hence a connected person of the Company under Rule 14A.07(1) of the Listing Rules; (b) Mr. Santony is the father of Mr. George Santos, hence an associate of Mr. George Santos and a connected person of the Company under Rule 14A.12(2)(a) of the Listing Rules; and (c) MKU is a company owned as to 99% and 1% by Mr. Santony and Mr. George Santos respectively, hence an associate of Mr. Santony and a connected person of the Company under Rule 14A.12(2)(b) of the Listing Rules. Therefore, the transactions under the Supplemental Agreement to the Construction Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

In respect of the Revised Construction Services Caps, one or more of the applicable percentage ratios under the Listing Rules exceeds 0.1% but all are below 5%. As such, pursuant to Rule 14A.76(2) of the Listing Rules, the transactions contemplated under the Supplemental Agreement to the Construction Services Framework Agreement are only subject to the reporting, annual review and announcement requirements but are exempt from circular and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

BACKGROUND

References are made to the Prospectus and the 2025 Annual Report of the Company, which contain the details of the Construction Services Framework Agreement entered into among the Company (for itself and as trustee for each member of the Group), Mr. George Santos, Mr. Santony, and MKU (for itself and as trustee for each member of the MKU Group) on 10 March 2025.

As the actual transaction amount of the transactions contemplated under the Construction Services Framework Agreement may exceed the existing annual caps, on 30 September 2026, the Company (for itself and as trustee for each member of the Group) entered into the Supplemental Agreement to the Construction Services Framework Agreement with Mr. George Santos, Mr. Santony, and MKU (for itself and as trustee for each member of the MKU Group) to revise the annual caps in respect of the two years ending 31 December 2026 and 2027 respectively under the Construction Services Framework Agreement.

Construction Services Framework Agreement

The principal terms of the Construction Services Framework Agreement are set forth below:

Date:	10 March 2025 (as supplemented by the Supplemental Agreement to the Construction Services Framework Agreement dated 30 September 2026)
Parties:	(a) the Company (for itself and as trustee for each member of the Group); (b) Mr. George Santos; (c) Mr. Santony; and (d) MKU (for itself and as trustee for each member of the MKU Group)
Term:	From 10 March 2025 to 31 December 2027, renewable for a further period of three years by mutual agreement subject to compliance with the Listing Rules and applicable laws and regulations.
Subject matter:	Each of Mr. George Santos, Mr. Santony and MKU agrees to, and procures their affiliates to agree to, severally provide the respective Construction Services to the Group.
Pricing policy:	The service fee payable for the Construction Services shall be determined in the relevant definitive agreement(s) and will be determined based on normal commercial terms or better, with reference to, among others, (i) the prevailing market prices of similar services obtained through internal checks and research conducted by the Group; (ii) the quality and prices of comparable construction services offered by accessible Independent Third Party suppliers; and (iii) the expected expenses and costs and the associated labour costs as incurred by the Santony Family in providing such services.

REVISION OF ANNUAL CAPS FOR THE CONSTRUCTION SERVICES FRAMEWORK AGREEMENT

Due to (a) the increasing demand for the Construction Services used in the business operations of the Group, in particular the anticipated additional Construction Services to be required by the Group for improvement of the Group's existing alumina production facilities and construction of the Electrolytic Aluminium Project (covering (i) additional sedimentation tanks, stormwater retention ponds, and roads required by the Indonesian national environmental authority; (ii) blasting and excavation for the new red mud storage facility; and (iii) construction of other living areas and facilities within the manufacturing complex); and (b) the inflation of local price level resulting from the depreciation of IDR (being the pricing currency of the Construction Services) against USD, which in turn affects the pricing of the Construction Services, it is expected that the Original Construction Services Caps for the two years ending 31 December 2026 and 31 December 2027 respectively will be exceeded. Therefore, on 30 September 2026, the Company (for itself and as trustee for each member of the Group) entered into the Supplemental Agreement to the Construction Services Framework Agreement with Mr. George Santos, Mr. Santony, and MKU (for itself and as trustee for each member of the MKU Group) to revise the Original Construction Services Caps in respect of the two years ending 31 December 2026 and 31 December 2027.

Save for the revision in the annual caps as described below, the terms of Construction Services Framework Agreement have not been changed or modified in any other way. Further details of the Construction Services Framework Agreement were set out in the paragraphs headed "Connected Transactions — Continuing Connected Transactions Exempt from Independent Shareholders' Approval Requirement — 2. Construction Services Framework Agreement" in the Prospectus and "Continuing Connected Transactions Exempt from Independent Shareholders' Approval Requirement — 2. Construction Services Framework Agreement" in the report of the Directors of the 2025 Annual Report.

Historical amounts

The table below sets out the historical amounts incurred by the Group under the Construction Services Framework Agreement during the periods indicated below:

	For the year ended 31 December 2025	For the six months ended 30 June 2026
Actual transaction amount(s)	IDR56,327.2 million (equivalent to approximately US\$3.4 million) (Note 1)	IDR17,276.2 million (equivalent to approximately US\$1.0 million) (Note 2)

Notes:

- (1) Based on the Reuters USD/IDR FX Spot Rate of US\$1 to IDR16,675 as at 31 December 2025.
- (2) Based on the Reuters USD/IDR FX Spot Rate of US\$1 to IDR17,880 as at 30 June 2026.

Original and Revised Construction Services Caps

The Company (for itself and as trustee for each member of the Group) proposes that the below Revised Construction Services Caps be set for the transactions with Mr. George Santos, Mr. Santony and MKU (for itself and as trustee for each member of the MKU Group) under the Supplemental Agreement to the Construction Services Framework Agreement in respect of the two years ending 31 December 2026 and 31 December 2027 respectively:

	For the year ending 31 December 2026	For the year ending 31 December 2027
Original Construction Services Caps	IDR22,000.0 million (equivalent to approximately US\$1.3 million) (Note 3)	IDR11,000.0 million (equivalent to approximately US\$0.7 million) (Note 3)
Revised Construction Services Caps	IDR71,000.0 million (equivalent to approximately US\$4.0 million) (Note 4)	IDR98,000.0 million (equivalent to approximately US\$5.5 million) (Note 4)

Notes:

- (3) Based on the notional currency exchange rate of US\$1 to IDR16,326 as adopted in the Prospectus.
- (4) Based on the Reuters USD/IDR FX Spot Rate of US\$1 to IDR17,970 as at 28 September 2026, being the latest practicable date for determination of the Revised Construction Services Caps by the parties to the Supplemental Agreement to the Construction Services Framework Agreement.

The Company confirms that as at the date of this announcement, the actual transaction amount under the Construction Services Framework Agreement has not exceeded the Original Construction Services Caps for the year ending 31 December 2026, and no Construction Services have been procured by the Group under the Construction Services Framework Agreement for the Electrolytic Aluminium Project.

Basis of determination of the Revised Construction Services Caps

In determining the Revised Construction Services Caps, the Directors have considered the following:

- (a) the historical transaction amounts paid by the Group to Mr. George Santos, Mr. Santony and the MKU Group for the Construction Services in relation to the alumina production facilities only, which include the actual transaction amount of IDR17,276.2 million (equivalent to approximately US\$1.0 million) for the six months ended 30 June 2026, representing approximately 78.5% of the Original Construction Services Cap for the year ending 31 December 2026;
- (b) the continued fluctuation and depreciation of IDR against USD of approximately 10.1% from the rate of US\$1 to IDR16,326 adopted in the Prospectus to the rate of US\$1 to IDR17,970 as at 28 September 2026, being the latest practicable date for determination of the Revised Construction Services Caps by the parties to the Supplemental Agreement to the Construction Services Framework Agreement;
- (c) as disclosed in the paragraphs headed “Future Plans for Material Investments or Capital Assets” in the interim results announcement for the six months ended 30 June 2026 of the Company dated 19 August 2026, the Company has initiated the preparatory work for the first phase of the Electrolytic Aluminium Project with an annual production capacity of 250,000 tons in 2026 with an initial estimated investment amount of approximately US\$436.6 million over a construction period of around two years. The construction of the Electrolytic Aluminium Project entails additional demand by the Group for the Construction Services over the next two years, and the current construction schedule and expected scope of work of the Electrolytic Aluminium Project has been considered in setting the Revised Construction Services Caps;
- (d) the expected Construction Services required for improvement of the Group’s existing alumina production facilities, including additional red mud storage facility required by Indonesian regulatory authorities;
- (e) an additional buffer of 5% for the financial year ending 31 December 2027 on top of the Original Construction Services Caps to provide for the expected further depreciation of IDR against USD and the resulting inflation of local price level, which is in turn expected to affect the pricing of the Construction Services. The 5% buffer is determined with reference to the average annual depreciation of IDR against USD observed over the past three years (from 2023 to 2025); and
- (f) an additional 10% round-up buffer on top to provide for operational flexibility and potential increment in the volume and price of the Construction Services during the remaining term of the Construction Services Framework Agreement.

INTERNAL CONTROL MEASURES

In order to ensure that the terms under relevant framework agreements for the continuing connected transactions of the Group (including without limitation the Construction Services Framework Agreement) are fair and reasonable, at no less favourable (or better) terms to the Group than terms available from Independent Third Parties, and the connected transactions are carried out under normal commercial terms, the Group has adopted (insofar as applicable to the Construction Services Framework Agreement) the following internal control procedures to review the pricing under the continuing connected transactions as contemplated under the relevant agreements, and to confirm that the price is fair and reasonable and on normal commercial terms or better from the Company's perspective:

- (a) in the event that the Directors consider the existing information provided during discussion on any individual agreement under the Construction Services Framework Agreement is not sufficient for a thorough assessment of the fairness and reasonableness of the pricing and wish to obtain additional expert advice, the Directors may, at the Company's cost, consult external independent industry adviser or expert on the latest market environment and the fairness and reasonableness of the prices;
- (b) the Group will continue to adopt and implement a management system on connected transactions. Under such system, the Audit Committee is responsible for the review on compliance with relevant laws, regulations, the Company's policies and the Listing Rules in respect of the continuing connected transactions (including without limitation the transactions under the Construction Services Framework Agreement). In addition, the Audit Committee, the Board and various internal departments of the Company (including but not limited to the finance department and legal department) are jointly responsible for evaluating the terms under individual agreements for the continuing connected transactions, in particular, the fairness of the pricing policies and annual caps under each transaction;
- (c) the Audit Committee, the Board and various internal departments (including the finance department) of the Company also regularly monitor the fulfilment status and the transaction updates under the Construction Services Framework Agreement. In addition, the management of the Company also regularly reviews the pricing policies of the Construction Services Framework Agreement;
- (d) the independent non-executive Directors will conduct annual review of the continuing connected transactions under the Construction Services Framework Agreement and provide annual confirmation to ensure that the transactions are conducted (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better; and (iii) according to the agreement governing them on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole, in accordance with the Listing Rules;

- (e) the Company's auditors will provide annual confirmation to the Board confirming that there has not been anything that has come to their attention that causes them to believe that the continuing connected transactions under the Construction Services Framework Agreement: (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iv) have exceeded the Revised Annual Caps; and
- (f) when considering the service fees, and other fees to be paid by the Group to Mr. George Santos, Mr. Santony or the MKU Group, the Company will continue to regularly research in prevailing market conditions and practices and make reference to the pricing and terms between the Company and Independent Third Parties for similar transactions, to ensure that the pricing and terms offered by the above connected persons are fair, reasonable and are no less favourable than those offered to Independent Third Parties.

Reasons for and benefits of the Revised Construction Services Caps

With the expected commencement of construction of the first phase of the Electrolytic Aluminium Project in the fourth quarter of 2026 with a projected construction period of two years, the procurement of the Construction Services is expected to increase. With its strong local network, the Santony Family is positioned to carry out the Construction Services required by the Group in its ordinary and usual course of business in Indonesia (including (a) improvement of the Group's existing alumina production facilities; and (b) for the Electrolytic Aluminium Project), covering (i) additional sedimentation tanks, stormwater retention ponds, and roads required by the Indonesian national environmental authority; (ii) blasting and excavation for the new red mud storage facility; and (iii) construction of other living areas and facilities within the manufacturing complex. Coupled with the Group's existing working relationship with the Santony Family for the provision of Construction Services, the Directors believe that the entering into of the Supplemental Agreement to the Construction Services Framework Agreement would provide convenient and helpful support to meet the Group's anticipated needs for the construction services arising out of both the Group's alumina production activities and the Electrolytic Aluminium Project.

While there are Independent Third Parties who can provide identical or similar Construction Services in the Indonesian market, such Independent Third Parties would have very limited access to Bintan Island, the location of the Group's alumina production facilities and the construction sites of the Electrolytic Aluminium Project. Further, such Independent Third Parties have consistently quoted higher prices. Engaging such Independent Third Parties may therefore not be as efficient from a cost perspective and operation perspective as compared with the current procurement arrangements with Mr. George Santos, Mr. Santony

and the MKU Group, given the long standing relationship with them, and the stable quality and supply of their Construction Services. The Group believes Mr. George Santos, Mr. Santony and the MKU Group will be able to satisfy its increasing business demand at normal commercial terms or better.

The Directors (including the independent non-executive Directors) considered that the transactions contemplated under the Supplemental Agreement to the Construction Services Framework Agreement were entered into in the ordinary and usual course of business of the Group on normal commercial terms or better, and that the Revised Construction Services Caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE COMPANY

The Company was incorporated in the Cayman Islands with limited liability. The principal activity of the Company is investment holding. The Group is principally engaged in production and sales of alumina.

INFORMATION ABOUT MR. GEORGE SANTOS, MR. SANTONY AND MKU

Mr. George Santos

Mr. George Santos is an individual resident in Indonesia. He is a non-executive Director.

Mr. Santony

Mr. Santony is an individual resident in Indonesia. He is the father of Mr. George Santos.

The Santony Family is mainly engaged in the business of mineral resources and construction services.

MKU

MKU is a company incorporated in Indonesia with limited liability. MKU and its subsidiaries are principally engaged in mining and excavation of bauxite, aluminium and other minerals, and trading in metals and metal ores. MKU is owned as to 99% and 1% by Mr. Santony and Mr. George Santos respectively.

LISTING RULES IMPLICATIONS

As at the date of this announcement, (a) Mr. George Santos is a non-executive Director, hence a connected person of the Company under Rule 14A.07(1) of the Listing Rules; (b)

Mr. Santony is the father of Mr. George Santos, hence an associate of Mr. George Santos and a connected person of the Company under Rule 14A.12(2)(a) of the Listing Rules; and (c) MKU is a company owned as to 99% and 1% by Mr. Santony and Mr. George Santos respectively, hence an associate of Mr. Santony and a connected person of the Company under Rule 14A.12(2)(b) of the Listing Rules. Therefore, the transactions under the Supplemental Agreement to the Construction Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

In respect of the Revised Construction Services Caps, one or more of the applicable percentage ratios under the Listing Rules exceeds 0.1% but all are below 5%. As such, pursuant to Rule 14A.76(2) of the Listing Rules, the transactions contemplated under the Supplemental Agreement to the Construction Services Framework Agreement are only subject to the reporting, annual review and announcement requirements but are exempt from circular and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. George Santos, a non-executive Director, has a material interest in the transactions contemplated under the Supplemental Agreement to the Construction Services Framework Agreement. He has abstained from voting on the board resolutions of the Company in relation to the revision of annual caps of the Construction Services Framework Agreement.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“2025 Annual Report”	the 2025 annual report of the Company published on 23 April 2026
“associate”	has the meaning ascribed thereto by the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Company”	Nanshan Aluminium International Holdings Limited (南山鋁業國際控股有限公司), a company incorporated in the Cayman Islands with limited liability whose Shares are listed on the Stock Exchange
“connected person”	has the meaning ascribed thereto by the Listing Rules

“Construction Services”	the construction services required for certain projects of the Group in its ordinary and usual course of business (including without limitation the Electrolytic Aluminium Project), which include reservoir construction, water tunnel and asphalt road project, passing pipe culvert project, commercial area exhibition hall project, reinforcement of high-tension iron tower foundation and batching plant brick project
“Construction Services Framework Agreement”	the construction services framework agreement dated 10 March 2025, entered into by and among the Company (for itself and as trustee for each member of the Group), Mr. George Santos, Mr. Santony, and MKU (for itself and as trustee for each member of the MKU Group) governing the provision of Construction Services by Mr. George Santos, Mr. Santony and the MKU Group to the Group
“Director(s)”	director(s) of the Company
“Electrolytic Aluminium Project”	the project of establishing the Group’s capability to produce and sell electrolytic aluminium and related raw materials and ancillary facilities, as disclosed in the announcements of the Company dated 19 January 2026 and 30 January 2026
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IDR”	Indonesian rupiah, the lawful currency of Indonesia
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which, to the best of the Directors’ knowledge, information and belief, having made all due and careful enquiries, is/are not a connected person(s) of the Company under the Listing Rules
“Indonesia”	the Republic of Indonesia
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

“MKU”	PT. Mahkota Karya Utama, a company incorporated in Indonesia with limited liability
“MKU Group”	MKU and its subsidiaries and affiliates
“Original Construction Services Cap”	the original total amounts under the Construction Services Framework Agreement for the two years ending 31 December 2026 and 2027 of IDR22,000.0 million (equivalent to approximately US\$1.3 million) and IDR11,000.0 million (equivalent to approximately US\$0.7 million), respectively
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macao Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus of the Company dated 17 March 2025
“Revised Construction Services Cap”	the revised total amounts under the Supplemental Agreement to the Construction Services Framework Agreement for the two years ending 31 December 2026 and 2027 of IDR71,000.0 million (equivalent to approximately US\$4.0 million) and IDR98,000.0 million (equivalent to approximately US\$5.5 million), respectively
“Santony Family”	Mr. George Santos, Mr. Santony and their respective affiliates
“Share(s)”	share(s) in the issued share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement to the Construction Services Framework Agreement”	the supplemental agreement to the Construction Services Framework Agreement dated 30 September 2026 entered into by and between the Company (for itself and as trustee for each member of the Group), Mr. George Santos, Mr. Santony and MKU (for itself and as trustee for each member of the MKU Group) to amend and supplement the Construction Services Framework Agreement

“United States” or “U.S.”	the United States of America
“US\$”, “USD” or “U.S. dollars”	United States dollars, the lawful currency of the United States
“%”	per cent

By order of the Board
Nanshan Aluminium International Holdings Limited
Hao Weisong
Chairman of the Board

Hong Kong, 30 September 2026

As at the date of this announcement, the Board comprises (i) Mr. Hao Weisong and Ms. Han Yanhong as executive Directors; (ii) Ms. Wang Yanli, Mr. Loo Tai Choong and Mr. George Santos as non-executive Directors; and (iii) Mr. Wen Xianjun, Mr. Cheung Kwong Tat and Ms. Dong Meihua as independent non-executive Directors.