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PU'ER LANCANG ANCIENT TEA CO., LTD.

普洱瀾滄古茶股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6911)

INSIDE INFORMATION RECEIPT OF ARBITRATION AWARD BY A SUBSIDIARY

This announcement is made by Pu'er Lancang Ancient Tea Co., Ltd. (the **"Company"**, together with its subsidiaries, the **"Group"**) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the **"Listing Rules"**) on The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

On 27 October 2025, Guangzhou Kangrui Lancang Ancient Tea Co., Ltd. (廣州康瑞瀾滄古茶有限公司) (**"Guangzhou Kangrui"**), a wholly-owned subsidiary of the Company, received an arbitration award (the **"Award"**) dated 27 October 2025 from the Shenzhen International Court of Arbitration (the **"Arbitration Court"**).

According to the Award, the case originated from a loan contract (the **"Loan Contract"**) entered into between Guangzhou Kangrui and the applicant in the arbitration (the **"Applicant"**), Liu Cunzhi, on 8 December 2024. The loan amount was RMB10.00 million (the **"Loan"**), with a loan term of 90 days and an interest rate of 2% per month. As Guangzhou Kangrui failed to repay the Loan upon maturity, the Applicant submitted an arbitration application to the Arbitration Court, naming Guangzhou Kangrui as the first respondent. Concurrently, Ms. Wang Juan (**"Ms. Wang"**), a former director and senior management of the Company, was named as the second respondent because she issued a letter of guarantee in respect of the Loan Contract, providing joint and several liability guarantee to the Applicant.

In this regard, the Arbitration Court has rendered its Award that:

1. Guangzhou Kangrui shall repay the principal of the Loan to the Applicant in the amount of RMB9,700,424.44 (the difference between this amount and the RMB10.00 million stipulated in the Loan Contract was decided by the Arbitration Court to be deducted in accordance with the law);
2. Guangzhou Kangrui shall pay overdue repayment interest to the Applicant: the first portion of overdue repayment interest shall be calculated based on a principal of RMB2,900,424.44 at an annual interest rate of 12.4%, from 9 March 2025 until the date of actual full repayment; the second portion of overdue repayment interest shall be calculated based on a principal of RMB4,800,000 at an annual interest rate of 12.4%, from 10 March 2025 until the date of actual full repayment; and the third portion of overdue repayment interest shall be calculated based on a principal of RMB2,000,000 at an annual interest rate of 12.4%, from 11 March 2025 until the date of actual full repayment;

3. Guangzhou Kangrui shall compensate the Applicant for her attorney fees in the amount of RMB40,000;
4. Ms. Wang shall bear joint and several guarantee liability for the debts determined for Guangzhou Kangrui under paragraphs 1 to 3 above;
5. Guangzhou Kangrui and Ms. Wang shall compensate the Applicant for preservation fees in the amount of RMB10,000 and preservation guarantee fees in the amount of RMB5,025.20; and
6. Regarding the arbitration fees of RMB124,953, Guangzhou Kangrui and Ms. Wang shall bear RMB121,204, which shall be paid directly to the Applicant.

The Award is final and shall take legal effect from the date of issuance.

According to the Company's verification of the case, the Loan was transferred to personal accounts of third parties, and Guangzhou Kangrui did not receive any corresponding amount. Upon the Company's review of the internal seal approval process records, the Loan Contract did not undergo the internal application and approval process for the use of the company seal, which constitutes a serious dereliction of duty by Ms. Wang, the former director and senior management, and Mr. Zhang Muheng ("**Mr. Zhang**"), the legal representative of Guangzhou Kangrui.

In view of the fact that the conducts of Ms. Wang and Mr. Zhang have prejudiced the interests of the Group, the Company has demanded that they be responsible for settling the debts involved in the arbitration. They have provided a written undertaking that (i) the borrowing involved in the arbitration case (the "**Case**") was conducted solely in their personal capacities, and the relevant borrowings was also for their personal use, having no connection with the Company or Guangzhou Kangrui;(ii) in order to mitigate the adverse impact caused by the Case on the Company, they agree to compensate the Company for all economic losses arising from the Case, the specific amount of which shall be determined based on the actual amounts of various specific compensation payments incurred by the Company and Guangzhou Kangrui;(iii) they undertake to actively negotiate with the Applicant in the arbitration regarding the relevant repayment schedule and method, and shall be responsible for self-funding the repayment of the principal, interest, and other amounts awarded to be payable by Guangzhou Kangrui under the Case, so as to facilitate the proper and earliest possible resolution of the Case. The board of directors of the Company (the "**Board**") will hold them accountable based on their repayment performance and the actual economic loss incurred by the Group.

As the Award has not yet been practically enforced, and there exist uncertainties in respect of such enforcement, the specific financial impact of the Award on the Company's financial performance remains indeterminate for the time being. Based on the amount involved in the Case and the Company's current liquidity position, the enforcement of the Case is not expected to have a material adverse impact on the Company's production and business operations. The Board is also proactively communicating with the legal counsel of the Company in respect of a specific action plan regarding the Award to protect the legitimate rights and interests of the Group and the Company's shareholders.

The Board will make further announcement(s) to inform the shareholders of any updates in due course.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
PU'ER LANCANG ANCIENT TEA CO., LTD.
普洱瀾滄古茶股份有限公司
Ms. Du Chunyi
Chairlady and Executive Director

Hong Kong, 28 October 2025

As at the date of this announcement, the Board comprises (i) Ms. Du Chunyi, Mr. Zhou Xinzong, Ms. Shi Yijing and Mr. Fu Gang as executive Directors; (ii) Mr. Liu Jiajie as a non-executive Director; and (iii) Ms. Huang Lin, Mr. Tang Zhangliang and Dr. Yang Kequan as independent non-executive Directors.