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SINOFERT HOLDINGS LIMITED
中化化肥控股有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 297)

ANNOUNCEMENT
REVISION OF ANNUAL CAP FOR CONTINUING CONNECTED TRANSACTIONS UNDER THE INFORMATION SYSTEM SERVICES AGREEMENT

Reference is made to the announcement of the Company dated 13 May 2025 in relation to the Information System Services Agreement entered into between Sinochem Fertilizer, an indirect wholly-owned subsidiary of the Company, and Sinochem Information. Pursuant to the Information System Services Agreement, Sinochem Information has agreed to provide information system services to Sinochem Fertilizer, including system operation and maintenance services, software licensing services, software procurement services, system improvement services and artificial intelligence services, during the period from 1 January 2025 to 31 December 2025 (both days inclusive).

The Company estimated that the total fees payable by Sinochem Fertilizer to Sinochem Information under the Information System Services Agreement for the year ending 31 December 2025 would exceed the original annual cap. As such, the Board has resolved to revise the annual cap for the year ending 31 December 2025. As at the date of this announcement, the actual transaction amounts of the continuing connected transactions under the Information System Services Agreement have not exceeded the original annual cap.

LISTING RULES IMPLICATIONS

Sinochem Holdings is the ultimate controlling shareholder of the Company, holding approximately 52.65% of the total issued shares of the Company as at the date of this announcement, and is therefore a connected person of the Company. Sinochem Information, an indirect wholly-owned subsidiary of Sinochem Holdings, is also a connected person of the Company. Pursuant to Chapter 14A of the Listing Rules, the transactions contemplated under the Information System Services Agreement constitute continuing connected transactions of the Company. Given that the relevant applicable percentage ratios in respect of the revised annual cap for continuing connected transactions contemplated under the Information System Services Agreement are more than 0.1% but less than 5%, such revision of the annual cap are subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated 13 May 2025 in relation to the Information System Services Agreement entered into between Sinochem Fertilizer, an indirect wholly-owned subsidiary of the Company, and Sinochem Information. Pursuant to the Information System Services Agreement, Sinochem Information has agreed to provide information system services to Sinochem Fertilizer, including system operation and maintenance services, software licensing services, software procurement services, system improvement services and artificial intelligence services, during the period from 1 January 2025 to 31 December 2025 (both days inclusive).

The Company estimated that the total fees payable by Sinochem Fertilizer to Sinochem Information under the Information System Services Agreement for the year ending 31 December 2025 would exceed the original annual cap. As such, the Board has resolved to revise the annual cap for the year ending 31 December 2025. As at the date of this announcement, the actual transaction amounts of the continuing connected transactions under the Information System Services Agreement have not exceeded the original annual cap.

PRINCIPAL TERMS OF THE INFORMATION SYSTEM SERVICES AGREEMENT

Date

13 May 2025

Parties

(a) Sinochem Fertilizer

(b) Sinochem Information

Scope of services and pricing

Pursuant to the Information System Services Agreement, Sinochem Information has agreed to provide information system services to Sinochem Fertilizer, including (i) system operation and maintenance services, (ii) software licensing services, (iii) software procurement services, (iv) system improvement services, and (v) artificial intelligence services. The details of the scope of services and the pricing thereof are set out below:

(i) The system operation and maintenance services involve the operation and maintenance services for a total of 21 systems, such as general office, desktop, master data, email and video conferencing systems. Based on its assessment on the scope, duration and frequency of services for each system, Sinochem Fertilizer agreed to pay a fixed service fee of RMB9,349,902.5 in respect of the system operation and maintenance services provided by Sinochem Information. Sinochem Fertilizer shall pay 50% of the fixed service fee to Sinochem Information by 31 July 2025 and 31 December 2025, respectively.

(ii) The software licensing services involve the licensing of 1,000 Microsoft software products and 2 sets of Dameng database for a total license fee of RMB570,000.

Sinochem Fertilizer shall pay the fee for the software licensing services in a lump sum to Sinochem Information by 31 July 2025.

(iii) The software procurement services involve the professional office software such as server operating system software and database software which Sinochem Fertilizer may procure from Sinochem Information based on its business needs. The unit price of each software product is set out in the Information System Services Agreement.

(iv) The system improvement services refer to the services provided by Sinochem Information to Sinochem Fertilizer in connection with the improvement of functions of Sinochem Fertilizer's information systems and the maintenance of its network and information security according to the needs of Sinochem Fertilizer. The fee for the system improvement services will be charged based on the amount of work done by Sinochem Information and at the standard rate of no more than RMB2,500 per technician per day. Sinochem Fertilizer shall pay the fee for the system improvement services to Sinochem Information every quarter based on the breakdown of the work done as provided by Sinochem Information.

(v) The artificial intelligence services refer to a range of services provided by Sinochem Information to Sinochem Fertilizer upon request, including hardware leasing, artificial intelligence platform services, cloud products, scenario implementation services and other optional services. The fees for such services comprise service fees and product fees. The unit price of each service and product is set out in the Information System Services Agreement. The service fees shall be settled on a quarterly basis in accordance with the total amount specified in the service order confirmed by both parties; the product fees shall be calculated based on the actual usage at the end of each quarter, and payment shall be made accordingly upon confirmation by Sinochem Fertilizer.

The fees for the services described above are determined after taking into account the estimated scope, duration and frequency of the services, budgeted costs of the relevant services, and the fees as may be charged in the market for comparable services.

Term

The service period under the Information System Services Agreement is from 1 January 2025 to 31 December 2025 (both days inclusive).

REVISION OF ANNUAL CAP

Revised annual cap and historical transaction amount

For the two years ended 31 December 2024, the amounts of fees paid by Sinochem Fertilizer to Sinochem Information for information system services were approximately RMB5,020,000 and RMB9,754,000, respectively. As at 30 September 2025, the actual transaction amount paid by Sinochem Fertilizer to Sinochem Information for services procured under the Information System Services Agreement was RMB10,240,000, representing approximately 79% of the original annual cap. Taking into account various factors and the demand plan of Sinochem Fertilizer for information system services in the fourth quarter of 2025, the Company estimated that the total annual fees payable by

Sinochem Fertilizer to Sinochem Information under the Information System Services Agreement for the year ending 31 December 2025 would exceed the original annual cap. Accordingly, the Board has resolved to revise the annual cap for the year ending 31 December 2025 from RMB13,000,000 to RMB18,000,000.

As at the date of this announcement, the actual transaction amounts of the continuing connected transactions under the Information System Services Agreement have not exceeded the original annual cap.

Reasons for the revision of the annual cap

With the Group's continued implementation of the excellence operation management system and the acceleration of digital transformation, Sinochem Fertilizer plans to establish a digital procurement platform in the fourth quarter of 2025. Based on the existing unified system, a procurement management platform will be developed to strengthen the connectivity and flow of data across the entire chain, promote the platform-based and intelligent transformation of procurement and supply chain management, achieve cost reduction and efficiency enhancement, ensure compliant operations and enhance the core competitiveness of the enterprise. The aforesaid construction process will involve system design and development, interface modification, data governance, cloud resource allocation and security compliance testing, among others, and will also require daily operation and maintenance support and performance assurance services.

Accordingly, Sinochem Fertilizer will require additional information technology services to be provided by Sinochem Information, and the relevant service fees are expected to exceed the original annual cap. After prudent estimation, such additional requirements will result in an increase of approximately RMB5,000,000 in the total annual fees payable by Sinochem Fertilizer to Sinochem Information under the Information System Services Agreement for the year ending 31 December 2025. Therefore, the Board has resolved to revise the annual cap for the year ending 31 December 2025 from RMB13,000,000 to RMB18,000,000 in order to ensure the smooth implementation of the platform construction and its subsequent operation.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

Sinochem Fertilizer has an ongoing demand for various information system services in its ordinary course of business. In view of the adjustment to the digital system requirements in the actual operation of Sinochem Fertilizer, the Company has re-estimated the amount of system operation and maintenance services to be procured from Sinochem Information. The additional system requirements will facilitate the transformation and upgrading of the Group's procurement and supply chain management, and provide suitable, stable and efficient system operation and maintenance support to Sinochem Fertilizer and its subsidiaries. Through the Information System Services Agreement entered into with Sinochem Information, Sinochem Fertilizer is able to obtain the above services at a reasonable cost, thereby enhancing its day-to-day operational efficiency, reducing its management costs and further strengthening its core competitiveness.

The Directors, including the independent non-executive Directors, are of the view that the continuing connected transactions contemplated under the Information System Services Agreement have been conducted on normal commercial terms, were entered into in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Company and its shareholders as a whole, and that the revised annual cap for the continuing connected transactions contemplated under the Information System Services Agreement is fair and reasonable.

None of the Directors is regarded as having a material interest in the Information System Services Agreement and the transactions contemplated thereunder, and hence none of the Directors has abstained from voting on the Board resolution to approve the Information System Services Agreement and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

Sinochem Holdings is the ultimate controlling shareholder of the Company, holding approximately 52.65% of the total issued shares of the Company as at the date of this announcement, and is therefore a connected person of the Company. Sinochem Information, an indirect wholly-owned subsidiary of Sinochem Holdings, is also a connected person of the Company. Pursuant to Chapter 14A of the Listing Rules, the transactions contemplated under the Information System Services Agreement constitute continuing connected transactions of the Company. Given that the relevant applicable percentage ratios in respect of the revised annual cap for continuing connected transactions contemplated under the Information System Services Agreement are more than 0.1% but less than 5%, such revision of the annual cap are subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

The Company is principally engaged in the production, import and export, distribution and retail of raw materials and finished products of crop nutrition products, provision of technological research and development and services relating to crop nutrition business and products.

Sinochem Fertilizer, an indirect wholly-owned subsidiary of the Company, is principally engaged in the production, import and export, distribution and retail of raw materials and finished products of crop nutrition products, as well as technological research and development and services relating to crop nutrition business and products.

Sinochem Holdings is the ultimate controlling shareholder of the Company. It is a large-scale chemical conglomerate operating in eight business sectors covering life science, materials science, basic chemicals, environmental science, rubber and tire, machinery and equipment, city operation, and industrial finance. The sole shareholder of Sinochem Holdings is the State-owned Assets Supervision and Administration Commission of the State Council.

Sinochem Information, an indirect wholly-owned subsidiary of Sinochem Holdings, has created a service value chain covering the aspects from consulting services and design to research and development, delivery, and operation and maintenance by leveraging the digital transformation and practice of Sinochem Holdings, with the commitment to promoting the deep integration of digital technology with industry to lead the chemical industry towards intelligent development.

DEFINITIONS

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

"Board"	the board of Directors of the Company
"Company"	Sinofert Holdings Limited, a company incorporated on 26 May 1994 in Bermuda with limited liability, the ordinary shares of which are listed on the Stock Exchange
"connected person(s)"	has the same meaning ascribed to it under the Listing Rules
"continuing connected transaction(s)"	has the same meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the same meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Information System Services Agreement"	the system operation and maintenance services agreement for the year of 2025 entered into between Sinochem Fertilizer and Sinochem Information on 13 May 2025
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China, which for the purposes of this announcement only, excludes Hong Kong, Macao Special Administration Region and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Sinochem Fertilizer"	中化化肥有限公司 (Sinochem Fertilizer Company Limited), a limited liability company incorporated in the PRC, and an indirect wholly-owned subsidiary of the Company
"Sinochem Holdings"	中國中化控股有限責任公司 (Sinochem Holdings Corporation Ltd.), a state-owned enterprise incorporated in the PRC, and the ultimate controlling shareholder of the Company

"Sinochem Information"	中化信息技術有限公司 (Sinochem Information Technology Co., Ltd.), a limited liability company incorporated in the PRC, and an indirect wholly-owned subsidiary of Sinochem Holdings
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the same meaning ascribed to it under the Listing Rules
"%"	percent

For and on behalf of the Board
SINOFERT HOLDINGS LIMITED
Su Fu
Chairman

Hong Kong, 21 October 2025

As at the date of this announcement, the non-executive directors of the Company are Mr. Su Fu (Chairman) and Ms. Zhang Guangyan; the executive directors of the Company are Mr. Wang Tielin (Chief Executive Officer), Ms. Chen Shengnan and Ms. Wang Ling; and the independent non-executive directors of the Company are Mr. Ko Ming Tung, Edward, Mr. Lu Xin and Mr. Sun Po Yuen.