SINOFERT HOLDINGS LIMITED
中化化肥控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 297)

ANNOUNCEMENT
CONTINUING CONNECTED TRANSACTIONS UNDER THE UK SERVICE AGREEMENT BETWEEN SINOCHEM MACAO AND SINOCHEM UK

Reference is made to the announcement of the Company dated 13 December 2022 in relation to, among other things, the existing UK service agreement entered into between Sinochem Macao, an indirect wholly-owned subsidiary of the Company, and Sinochem UK. Such agreement will expire on 31 December 2025. On 24 December 2025, Sinochem Macao and Sinochem UK entered into the UK Service Agreement, pursuant to which Sinochem UK will continue to provide local supplier relations and logistics services to Sinochem Macao during the period from 1 January 2026 to 31 December 2028 (both days inclusive).

LISTING RULES IMPLICATIONS

Sinochem Macao is an indirect wholly-owned subsidiary of the Company. Sinochem Hong Kong holds approximately 52.65% of the total issued share capital of the Company and is therefore a controlling shareholder of the Company. Sinochem Hong Kong is an indirect wholly-owned subsidiary of Sinochem Holdings, which is the ultimate controlling shareholder of the Company. Accordingly, each of Sinochem Hong Kong and Sinochem Holdings is a connected person of the Company. Sinochem UK, being an indirect 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 UK Service Agreement constitute continuing connected transactions of the Company. Given that the relevant applicable percentage ratios in respect of the annual caps for continuing connected transactions contemplated under the UK Service Agreement are more than 0.1% but less than 5%, such transactions 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 December 2022 in relation to, among other things, the existing UK service agreement entered into between Sinochem Macao, an indirect wholly-owned subsidiary of the Company, and Sinochem UK. Such agreement will expire on 31 December 2025.

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PRINCIPAL TERMS OF THE UK SERVICE AGREEMENT

Date

24 December 2025

Parties

(a) Sinochem Macao

(b) Sinochem UK

Nature of transactions

Pursuant to the UK Service Agreement, Sinochem UK shall provide local supplier relations and logistics services to Sinochem Macao in Europe at cost.

Pricing and payment

Pursuant to the UK Service Agreement, the service fees payable by Sinochem Macao to Sinochem UK for different products imported by Sinochem Macao and in respect of which Sinochem UK has provided services shall range from US$0.8 to US$8.5 per tonne.

Such fees are determined based on the costs incurred by Sinochem UK (which mainly include salaries and employee benefits, office rent, repair and maintenance, utilities, insurance and other administrative costs). Sinochem UK and Sinochem Macao may by agreement in writing adjust the fee payable in accordance with the changes in operational expenses of Sinochem UK, provided that the total amount of payments to be made by Sinochem Macao to Sinochem UK under the UK Service Agreement shall not exceed US$2,300,000 each calendar year. Sinochem UK shall issue invoices on a quarterly basis to Sinochem Macao for all services it provides from time to time, and Sinochem Macao shall settle the invoice within 10 days of the date of such invoice.

Term

The term of the UK Service Agreement is from 1 January 2026 to 31 December 2028 (both days inclusive).

ANNUAL CAP AND HISTORICAL TRANSACTION AMOUNT

The Company estimates that the annual cap in respect of the fees payable by Sinochem Macao to Sinochem UK under the UK Service Agreement for each of the three years ending 31 December 2028 will be US$2,300,000. Such annual cap has been determined based on the projected quantities of purchase by Sinochem Macao from local suppliers in Europe for each of the relevant years and the rates of service fees charged by Sinochem UK as stipulated in the UK Service Agreement. In particular, the Company has taken into account: (i) the projected quantities of the relevant purchases for the next three years, which are expected to increase to approximately 400,000 to 450,000 tonnes; and (ii) the range of service fee rates for different categories of products under the UK Service Agreement, which varies from approximately US$0.8 to US$8.5 per tonne. In preparing the cost projections, the Company referred to the overall range of such fee rates and applied a prudent fee level around the middle of the range to the projected purchase quantities to reflect potential changes in product mix, resulting in estimated annual fees broadly falling within the range of approximately US$2.0 million to US$2.25 million. The Company has also taken into account possible fluctuations that may arise from changes in product combination, exchange rate movements and supply chain arrangements, and has incorporated such uncertainties into the determination of the annual cap.

The historical amounts of the fees paid by Sinochem Macao to Sinochem UK for such supplier relations and logistics services for the two years ended 31 December 2024 and the nine months ended 30 September 2025 were US$1,607,000, US$1,652,000 and US$1,368,824, respectively.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

As the Group does not have any staff working in Europe and needs Sinochem UK to provide it with supplier relations and logistics services in Europe, the UK Service Agreement was therefore entered into between the parties.

The Directors, including the independent non-executive Directors, are of the view that the continuing connected transactions contemplated under the UK Service 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 annual caps for the continuing connected transactions contemplated under the UK Service Agreement are fair and reasonable.

At the Board meeting convened to consider the UK Service Agreement, Mr. Su Fu and Mr. Wang Tielin, being Directors of the Company, were regarded as having a material interest in the UK Service Agreement and the transactions contemplated thereunder and therefore abstained from voting on the Board resolution passed to approve the UK Service Agreement and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

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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, and provision of technological research and development and services relating to crop nutrition business and products.

Sinochem Macao, an indirect wholly-owned subsidiary of the Company, is principally engaged in sourcing fertilizer products and other related agricultural products for the Group from overseas.

Sinochem HK is the immediate controlling shareholder of the Company and an indirect wholly-owned subsidiary of Sinochem Holdings. Sinochem Holdings 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 UK, an indirect subsidiary of Sinochem Holdings, is principally engaged in the provision of supplier relations and logistics services to the Group in Europe, and it also provides updates on the PRC fertilizer industry and the business demands of the Group to suppliers.

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
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Macao"	the Macao Special Administrative Region of the PRC
"PRC"	the People's Republic of China, which for the purposes of this announcement only, excludes Hong Kong, Macao Special Administrative Region and Taiwan
"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 Macao"	中化化肥澳門有限公司 (Sinochem Fertilizer Macao Limited, formerly known as 中化化肥澳門離岸商業服務有限公司 (Sinochem Fertilizer Macao Commercial Offshore Limited)), a company incorporated in Macao on 16 November 2004, and an indirect wholly-owned subsidiary of the Company
"Sinochem UK"	Sinochem (United Kingdom) Limited, a company incorporated in the United Kingdom on 30 July 1986, and an indirect subsidiary of Sinochem Holdings

"Sinochem HK"	Sinochem Hong Kong (Group) Company Limited (中化香港(集團)有限公司), a limited liability company incorporated under the laws of Hong Kong, an indirect wholly-owned subsidiary of Sinochem Holdings and the immediate controlling shareholder of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the same meaning ascribed to it under the Listing Rules
"UK Service Agreement"	the provision of services agreement dated 24 December 2025 entered into between Sinochem Macao and Sinochem UK
"US$"	US dollars, the lawful currency of the United States of America
"%"	percent

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

Hong Kong, 24 December 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.