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三江化工

SANJIANG CHEMICAL

CHINA SANJIANG FINE CHEMICALS COMPANY LIMITED

中國三江精細化工有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2198)

**VERY SUBSTANTIAL ACQUISITION
CHARTERED AGREEMENTS INVOLVING LEASING VESSELS**

THE CHARTERED AGREEMENTS

The Board wishes to announce that Sanjiang Chemical intends to enter into Chartered Agreement 1 with Ocean Gold, pursuant to which Ocean Gold has agreed to lease Vessel 1 to Sanjiang Chemical for a term of 180 months commencing from the Vessel 1 Delivery Date to carry liquefied gases as stated under the Chartered Agreement 1.

The Board wishes to announce that Sanjiang Chemical intends to enter into Chartered Agreement 2 with Ocean Tide, pursuant to which Ocean Tide has agreed to lease Vessel 2 to Sanjiang Chemical for a term of 180 months commencing from the Vessel 2 Delivery Date to carry liquefied gases as stated under the Chartered Agreement 2.

LISTING RULES IMPLICATIONS

As the Chartered Agreements will be entered into with Ocean Gold and Ocean Tide which are fellow subsidiaries with a same parent company, being Minsheng Blueocean Leasing Corporation Limited, the transactions contemplated under the Chartered Agreements are to be aggregated under R14.22 of the Listing Rules.

As one or more of the applicable ratios in respect of the transactions contemplated under the Chartered Agreements in aggregate are more than 100%, the entering into of the Chartered Agreements shall constitute a very substantial acquisition transaction under R14.06(5) the Listing Rules and will be subject to the reporting, announcement, circular and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The EGM will be convened for the purpose of considering and, if thought fit, approving, among other things, the Chartered Agreements and the transactions contemplated thereunder. As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting to approve the Chartered Agreements and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, further details of the Chartered Agreements, the notice of the EGM and other information as required under the Listing Rules will be despatched to the Shareholders. It is expected that the circular will be despatched to the Shareholders on or before 30 April 2025, which is more than 15 business days after the publication of this announcement as more time will be needed for the preparation of certain information to be included in the circular.

It is expected that Sanjiang Chemical, Ocean Gold and Ocean Tide will enter into the respective Chartered Agreements within 7 days if the ordinary resolutions in respect of approving the Chartered Agreements are passed by the Shareholders at the EGM, which is expected to be held in May or June 2025, depending on the date of publication of the circular. The Company will publish an announcement to update the Shareholders and potential investors of the Company once the Chartered Agreements are entered into within 7 days if the ordinary resolutions in respect of approving the Chartered Agreements are passed by the Shareholders at the EGM, and if not, the Company will inform the Shareholders and potential investors of the Company in respect of the reasons for such delay. If there are any material changes to the terms of the Chartered Agreements after the EGM, the Company will comply with the relevant Listing Rules requirements.

In the event that the Chartered Agreements are not entered into by the respective parties before 31 December 2025, the Company will publish an announcement and update the Shareholders, and if necessary, hold another general meeting to seek Shareholders' approval.

As the entering into of the Chartered Agreements is subject to the satisfaction of the conditions precedent set out in the Chartered Agreements, the Chartered Agreements may or may not proceed to completion. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

The Board wishes to announce that Sanjiang Chemical intends to enter into Chartered Agreement 1 with Ocean Gold, pursuant to which Ocean Gold has agreed to lease Vessel 1 to Sanjiang Chemical for a term of 180 months commencing from the Vessel 1 Delivery Date to carry liquefied gases as stated under the Chartered Agreement 1.

The Board wishes to announce that Sanjiang Chemical intends to enter into Chartered Agreement 2 with Ocean Tide, pursuant to which Ocean Tide has agreed to lease Vessel 2 to Sanjiang Chemical for a term of 180 months commencing from the Vessel 2 Delivery Date to carry liquefied gases as stated under the Chartered Agreement 2.

CHARTERED AGREEMENT 1

Parties:

Charterer : Sanjiang Chemical, an indirect wholly-owned subsidiary of the Company

Owner : Ocean Gold

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, Ocean Gold and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Subject Matter

Pursuant to Chartered Agreement 1, Ocean Gold has agreed to lease Vessel 1 to Sanjiang Chemical for a term of 180 months commencing from the Vessel 1 Delivery Date to carry liquefied gases as stated under the Chartered Agreement 1.

Payment Terms

Pursuant to Chartered Agreement 1, Sanjiang Chemical shall pay or procure the payment for the use and hire of Vessel 1 from the time and date of the delivery of Vessel 1 to Sanjiang Chemical until the time and date of redelivery to Ocean Gold.

The fixed fee payable under Chartered Agreement 1 consists of (a) the daily costs for construction of Vessel 1; and (b) the operation costs to operate Vessel 1. The daily costs for construction of Vessel 1 is RMB268,000, taking into account a discount rate of 4.76175% for a charter term of 180 months. The daily operation costs to operate Vessel 1 is agreed to be set at RMB110,000 per vessel per day.

Sanjiang Chemical shall pay such sums to Ocean Gold at least 14 days in advance before the first business day of the next calendar month in immediate available funds per calendar month.

The Company intends to utilize its internal resources to pay for the fees under Chartered Agreement 1.

Delivery Date

Vessel 1 is expected, without guarantee, to be delivered to Sanjiang Chemical between 28 February 2027 and 30 May 2027, being the Vessel 1 Delivery Date. As soon as it becomes apparent to Ocean Gold that Vessel 1 will be delayed beyond the cancellation date (the earliest being 360 days after the Vessel 1 Delivery Date), Ocean Gold shall immediately notify Sanjiang Chemical in writing giving a new cancellation date.

Sanjiang Chemical shall within 14 days upon receipt of such notice confirm Ocean Gold in writing whether Sanjiang Chemical would proceed with the new cancellation date or not.

Purchase Option

Sanjiang Chemical has an option to purchase Vessel 1 by giving a purchase option notice to Ocean Gold on a date no later than the date falling six (6) months prior to the date falling 180 months after the Vessel 1 Delivery Date, such option will be exercised upon expiry of the entire charter term (180 months). The purchase price means to total sum of:

- (a) a lump sum of RMB150,000,000;
- (b) any charter hire and disposal costs accrued and/or due but unpaid on that date; and
- (c) any other sums due by Sanjiang Chemical under Chartered Agreement 1.

As such, in the event that Sanjiang Chemical exercises such option, the entire charter term (180 months) would have ended, and Sanjiang Chemical would be required to pay the additional purchase price as stated above. The Company will comply with the relevant Listing Rules at the time of exercising the purchase option.

The purchase option, if exercised by Sanjiang Chemical, will enable the Group to have the flexibility to acquire vessels suitable for transporting chemicals, especially ethane, for future use after the expiry of the charter term. Sanjiang Chemical has the discretion to exercise the purchase option or not and such purchase option allows flexibility to Sanjiang Chemical with a choice.

Execution

The execution of Chartered Agreement 1 is conditional upon the obtaining of Shareholders' approval at the EGM for Chartered Agreement 1.

Security

For Vessel 1, Sanjiang Chemical acknowledges that, as security for its obligations under Chartered Agreement 1, it shall provide to the Ocean Gold:

- a) within seven days from the date of Chartered Agreement 1 but in any event no later than the date on which the 2nd instalment of the construction costs of Vessel 1 (the total construction costs being RMB1,066,000,000.00) becomes payable by Ocean Gold to the shipbuilding company between 1 June 2026 to 19 June 2026, an unconditional, irrevocable and on-demand guarantee issued by one of Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, Bank of Communications and China Minseng Bank for a guaranteed amount of not less than RMB137,970,000 for a validity period of no less than 1 year (commencing from the 1st charter period and to be renewed at the beginning of each charter period);
- b) on the date of Chartered Agreement 1, an unconditional and irrevocable guarantee issued by Hangzhou Haoming in the form acceptable to Ocean Gold guaranteeing the amount of RMB137,970,000 in (a) above; and
- c) on the Vessel 1 Delivery Date, an assignment of all earnings, insurance reimbursements and requisition compensation of Vessel 1 arising from the sub-assignment (if Sanjiang Chemical enters into an assignment with a sub-assignee covering a charter period exceeding 12 months).

CHARTERED AGREEMENT 2

Parties:

Charterer : Sanjiang Chemical, an indirect wholly-owned subsidiary of the Company

Owner : Ocean Tide

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, Ocean Tide and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Subject Matter

Pursuant to Chartered Agreement 2, Ocean Tide has agreed to lease Vessel 2 to Sanjiang Chemical for a term of 180 months commencing from the Vessel 2 Delivery Date to carry liquefied gases as stated under the Chartered Agreement 2.

Payment Terms

Pursuant to Chartered Agreement 2, Sanjiang Chemical shall pay or procure the payment for the use and hire of Vessel 2 from the time and date of the delivery of Vessel 2 to Sanjiang Chemical until the time and date of redelivery to Ocean Tide.

The fixed fee payable under Chartered Agreement 2 consists of (a) the daily costs for construction of Vessel 2; and (b) the operation costs to operate Vessel 2. The daily costs for construction of Vessel 2 is RMB268,000, taking into account a discount rate of 4.76175% for a charter term of 180 months. The daily operation costs to operate Vessel 2 is agreed to be set at RMB110,000 per vessel per day.

Sanjiang Chemical shall pay such sums to Ocean Tide at least 14 days in advance in immediate available funds per calendar month.

The Company intends to utilize its internal resources to pay for the fees under Chartered Agreement 2.

Delivery Date

Vessel 2 is expected, without guarantee, to be delivered to Sanjiang Chemical between 30 May 2027 and 30 August 2027, being the Vessel 2 Delivery Date. As soon as it becomes apparent to Ocean Tide that Vessel 2 will be delayed beyond the cancellation date (the earliest being 360 days after the Vessel 2 Delivery Date), Ocean Tide shall immediately notify Sanjiang Chemical in writing giving a new cancellation date.

Sanjiang Chemical shall within 14 days upon receipt of such notice confirm Ocean Tide in writing whether Sanjiang Chemical would proceed with the new cancellation date or not.

Purchase Option

Sanjiang Chemical has an option to purchase Vessel 2 by giving a purchase option notice to Ocean Tide on a date no later than the date falling six (6) months prior to the date falling 180 months after the Vessel 2 Delivery Date, such option will be exercised upon expiry of the entire charter term (180 months). The purchase price means to total sum of:

- (a) a lump sum of RMB150,000,000;
- (b) any charter hire and disposal costs accrued and/or due but unpaid on that date; and
- (c) any other sums due by Sanjiang Chemical under Chartered Agreement 2.

As such, in the event that Sanjiang Chemical exercises such option, the entire charter term (180 months) would have ended, and Sanjiang Chemical would be required to pay the additional purchase price as stated above. The Company will comply with the relevant Listing Rules at the time of exercising the purchase option.

The purchase option, if exercised by Sanjiang Chemical, will enable the Group to have the flexibility to acquire vessels suitable for transporting chemicals, especially ethane, for future use after the expiry of the charter term. Sanjiang Chemical has the discretion to exercise the purchase option or not and such purchase option allows flexibility to Sanjiang Chemical with a choice.

Execution

The execution of Chartered Agreement 2 is conditional upon the obtaining of Shareholders' approval at the EGM for Chartered Agreement 2.

Security

For Vessel 2, Sanjiang Chemical acknowledges that, as security for its obligations under Chartered Agreement 2, it shall provide to Ocean Tide:

- a) within seven days from the date of Chartered Agreement 2 but in any event no later than the date on which the 2nd instalment of the construction price of Vessel 2 (the total construction price being RMB1,066,000,000.00) becomes payable by Ocean Tide to the shipbuilding company between 2 October 2026 to 19 October 2026, an unconditional, irrevocable and on-demand guarantee issued by one of Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, Bank of Communications and China Minseng Bank for a guaranteed amount of not less than RMB137,970,000 for a validity period of no less than 1 year (commencing from the 1st charter period and to be renewed at the beginning of each charter period);
- b) on the date of Chartered Agreement 2, an unconditional and irrevocable guarantee issued by Hangzhou Haoming in the form acceptable to Ocean Tide guaranteeing the amount of RMB137,970,000 in (a) above; and
- c) on the Vessel 2 Delivery Date, an assignment of all earnings, insurance reimbursements and requisition compensation of Vessel 2 arising from the sub-assignment (if Sanjiang Chemical enters into an assignment with a sub-assignee covering a charter period exceeding 12 months).

INFORMATION OF THE GROUP

The principal activities of the Group are the manufacture and supply of ethylene oxide, ethylene glycol, polypropylene, methyl tert-butyl ether and surfactants in the PRC. The Group was also engaged in the provision of processing services for polypropylene, methyl tert-butyl ether and surfactants to its customers and the production and supply of other chemical products such as C4, pentene and industrial gases, namely oxygen, nitrogen and argon in the PRC.

INFORMATION OF OCEAN GOLD AND OCEAN TIDE

Ocean Gold is a company incorporated in Hong Kong with limited liability, Ocean Tide is a company incorporated in Hong Kong with limited liability. Both Ocean Gold and Ocean Tide are wholly-owned by Minsheng Blueocean Leasing Corporation Limited, a wholly-owned subsidiary of Minsheng Financial Leasing Co., Ltd, the shares of which is owned as to China Minsheng Banking Corp, Ltd, 北京達義興業房地產開發有限公司 (Beijing Dayi Real Property Development Company Limited*), 天津財富置業有限公司 (Tianjin Wealth Property Company Limited*) by approximately 54.96%, 14.72% and 11.78% respectively with other remaining shareholders whose shareholdings are divided. Based on the information available to the Directors together with company searches conducted in the PRC, China Minsheng Banking Corp, Ltd is a joint stock limited company incorporated in the People's Republic of China whose shares are listed on the Main Board of the Stock Exchange (stock code: 1988). 北京達義興業房地產開發有限公司 (Beijing Dayi Real Property Development Company Limited*) is owned as to 50% by 深圳市杰領置業發展有限公司 (Shenzhen Jieling Property Development Company Limited*), 25.5% by 北京德瑞高投資管理有限公司 (Beijing Deruigao Investment Management Company Limited*), 12.78% by 海南悅和商務信息諮詢有限責任公司 (Hainan Yuehe Commercial Information Consultant Limited Liability Company*) with other remaining shareholders whose shareholdings are divided. 深圳市杰領置業發展有限公司 (Shenzhen Jieling Property Development Company Limited*) is ultimately controlled by 李海鳴 (Li Haiming). 北京德瑞高投資管理有限公司 (Beijing Derui High Investment Management Company Limited*) is ultimately owned as to approximately 36%, 18%, 6%, 30% and 10% by 羅錫堅 (Lou Shijian), 羅先熙 (Lou Xianzi), 羅先伍 (Luo Xianwu), 蔡少敏 (Chai Shaomin) and 何妮妮 (He Lili) respectively. 海南悅和商務信息諮詢有限責任公司 (Hainan Yuehe Commercial Information Consultant Limited Liability Company*) is ultimately owned as to 60%, 30% and 10% by 羅錫堅 (Lou Shijian), 羅先熙 (Lou Xianzi) and 羅先伍 (Luo Xianwu) respectively. 天津財富置業有限公司 (Tianjin Wealth Property Company Limited*) is ultimately owned by 白少良 (Mr. Pak Shaoliang). Ocean Gold and Ocean Tide are both principally engaged in the ship building and ship leasing business.

To the best of knowledge, information and belief of the Directors, having made reasonable enquiries, Minsheng Financial Leasing Co., Ltd, China Minsheng Banking Corp, Ltd, 北京達義興業房地產開發有限公司 (Beijing Dayi Real Property Development Company Limited*), 天津財富置業有限公司 (Tianjin Wealth Property Company Limited*) and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

REASONS FOR ENTERING INTO THE CHARTERED AGREEMENTS

The Directors (including the independent non-executive Directors) consider that the Chartered Agreements will secure the delivery and transportation of liquefied gases, namely ethylene, ethane, propane and butane which are the key raw materials of the chemicals produced by the Group, in particular ethane. As global export of ethane is mainly transported out from the United States of America via marine transportation and that the demand for ethane in the PRC is rising, coupled with the fact that ethane could only be transported by specifically designed vessels, the leasing of Vessel 1 and Vessel 2 could help the Group secure stable transportation means and also reduce the transportation costs of ethane by approximately 33%, which is a material component in determining the price of ethane. In addition, given that the term of both Chartered Agreements are 180 months, the Directors (including the independent non-executive Directors) believe that it would help stabilize the supply of such liquefied gases to the Group.

BASIS OF DETERMINING THE FEES PAYABLE

The fees payable by Sanjiang Chemical to Ocean Gold and Ocean Tide under the respective Chartered Agreements are negotiated and determined mainly based on: (i) the tonnage and capacity of Vessel 1 and Vessel 2 in delivering and transporting the liquefied gases; (ii) the daily costs for constructing each of Vessel 1 and Vessel 2, being RMB268,000 and RMB268,000 respectively, based on a discount rate of 4.76175% and a charter term of 180 months; and (iii) the agreed daily operation costs for operating Vessel 1 and Vessel 2 respectively being RMB110,000 per vessel per day.

On the basis that:

- (i) the daily costs of construction of Vessel 1 and Vessel 2 is RMB268,000 and taking into account the charter period of 180 months together with the initial deposit RMB106,000,000 and the purchase option and applying a discount rate of 4.76175%, the value of the right-of-use assets according to HKFRS/IFRS 16 of each of Vessel 1 and Vessel 2 is RMB1,066,000,000 and RMB1,066,000,000 respectively, the total construction costs and present value will be on the same level as the value of the right-of-use assets;
- (ii) the discount rate of 4.76175%, representing the interests expenses that Sanjiang Chemical needs to pay Ocean Gold and Ocean Tide respectively to finance the Vessels, is within market interests rates charged as obtained from other independent third parties;
- (iii) the useful life of the Vessels is expected to be 15 years, representing a same period as the charter period of 180 for each of Vessel 1 and Vessel 2;
- (iv) Sanjiang Chemical is unable to find other ship leasing companies offering similar services as a more relevant comparable or basis; and

- (v) the daily operation costs of each of Vessel 1 and Vessel 2 is agreed to be set at RMB110,000 (which was in line with other quotation(s) obtained by the Company from another independent vessel operating company).

the Directors are of the view that using them as a basis to calculate the respective fees payable under the Chartered Agreements is fair and reasonable.

The Directors (including the independent non-executive Directors) believe that the terms of each of Chartered Agreement 1 and Chartered Agreement 2 are determined after arm's length negotiations, on normal commercial terms, are fair and reasonable so far as the Company and its Shareholders are concerned and the entering into of the Chartered Agreements are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the Chartered Agreements will be entered into with Ocean Gold and Ocean Tide which are fellow subsidiaries with a same parent company, being Minsheng Blueocean Leasing Corporation Limited, the transactions contemplated under the Chartered Agreements are to be aggregated under R14.22 of the Listing Rules.

As one or more of the applicable ratios in respect of the transactions contemplated under the Chartered Agreements in aggregate are more than 100%, the entering into of the Chartered Agreements shall constitute a very substantial acquisition transaction under R14.06(5) the Listing Rules and will be subject to the reporting, announcement, circular and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

In addition, pursuant to the Chartered Agreements, the unconditional and irrevocable guarantees to the issued by Hangzhou Haoming in a form acceptable to Ocean Gold and Ocean Tide respectively (in an amount of RMB137,970,000 respectively) constitute financial assistance provided to the Company. Pursuant to R14A.90, such financial assistance is fully exempt as:

- (a) the terms were on normal commercial terms or better; and
- (b) such financial assistance is not secured by the assets of the Group.

GENERAL

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, there is, and in the past twelve months, there has been, no material loan arrangement between (a) Ocean Gold and Ocean Tide, any of its directors and legal representatives and/or any ultimate beneficial owner(s) of the counterparties of the transaction who can exert influence on the transaction; and (b) the Company, any connected person at the Company's level and/or any connected person at the subsidiary level (to the extent that such subsidiary/subsidiaries is/are involved in the transaction).

The EGM will be convened for the purpose of considering and, if thought fit, approving, among other things, the Chartered Agreements and the transactions contemplated thereunder. As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting to approve the Chartered Agreements and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, further details of the Chartered Agreements, the notice of the EGM and other information as required under the Listing Rules will be despatched to the Shareholders. It is expected that the circular will be despatched to the Shareholders on or before 30 April 2025, which is more than 15 business days after the publication of this announcement as more time will be needed for the preparation of certain information to be included in the circular. It is expected that Sanjiang Chemical, Ocean Gold and Ocean Tide will enter into the respective Chartered Agreements within 7 days if the ordinary resolutions in respect of approving the Chartered Agreements are passed by the Shareholders at the EGM, which is expected to be held in May or June 2025, depending on the date of publication of the circular. The Company will publish an announcement to update the Shareholders and potential investors of the Company once the Chartered Agreements are entered into within 7 days if the ordinary resolutions in respect of approving the Chartered Agreements are passed by the Shareholders at the EGM, and if not, the Company will inform the Shareholders and potential investors of the Company in respect of the reasons for such delay. If there are any material changes to the terms of the Chartered Agreements after the EGM, the Company will comply with the relevant Listing Rules requirements.

In the event that the respective Chartered Agreements are not entered into by the parties before 31 December 2025, the Company will publish an announcement and update the Shareholders, and if necessary, hold another general meeting to seek Shareholders' approval.

The Directors (including the independent non-executive Directors) believe that obtaining the Shareholders' approval in advance is in the interests of the Shareholders and the Company as:

- (i) the Shareholders will be given adequate time to consider and review the relevant disclosures to be made by the Company in respect of the Chartered Agreements;
- (ii) the Company and Sanjiang Chemical is able to ensure that all necessary approvals are being obtained before executing the Chartered Agreements given that the entering into of the Chartered Agreements is a very substantial acquisition of the Company; and

(iii) despite it is expected that Sanjiang Chemical, Ocean Gold and Ocean Tide will enter into the respective Chartered Agreements within 7 days if the ordinary resolutions in respect of approving the Chartered Agreements are passed by the Shareholders at the EGM, the arrangement will offer flexibility for Sanjiang Chemical as the parties may execute at a day later if there are any unforeseeable circumstances affecting the route of marine transportation after obtaining the Shareholders' approval at the EGM.

As the entering into of the Chartered Agreements is subject to the satisfaction of the conditions precedent set out in the Chartered Agreements, the Chartered Agreements may or may not proceed to completion. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	board of Directors of the Company;
“Chartered Agreements”	collectively, Chartered Agreement 1 and Chartered Agreement 2;
“Chartered Agreement 1”	the chartered agreement expected to be entered into between Sanjiang Chemical and Ocean Gold in respect of, amongst other things, the leasing of Vessel 1 by Sanjiang Chemical from Ocean Gold within 7 days if the ordinary resolution in respect of approving the chartered agreement is passed by the Shareholders at the EGM;
“Chartered Agreement 2”	the chartered agreement expected to be entered into between Sanjiang Chemical and Ocean Tide in respect of, amongst other things, the leasing of Vessel 2 by Sanjiang Chemical from Ocean Tide within 7 days if the ordinary resolution in respect of approving the chartered agreement is passed by the Shareholders at the EGM;
“Company”	China Sanjiang Fine Chemicals Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;

“EGM”	an extraordinary meeting of the Shareholders of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Chartered Agreements and the transactions contemplated thereunder;
“Group”	the Company and its subsidiaries, from time to time;
“Hangzhou Haoming”	杭州浩明投資有限公司 (Hangzhou Haoming Investment Co., Ltd.*) (formerly known as 杭州蕭山三江精細化工有限公司 (Hangzhou Xiaoshan Sanjiang Fine Chemicals Co., Ltd.*), and 蕭山市三江精細化工有限公司 (Xiaoshan City Sanjiang Fine Chemicals Co., Ltd.*)), a company established in the PRC with limited liability on 26 March 1998, and owned as to 75% by Mr. Guan, 20% by Ms. Han and 5% by Mr. Han Jianping, the brother of Ms. Han;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Party”	a party independent of the Company and its connected persons;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Macau”	the Macau Special Administrative Region of the PRC;
“Mr. Guan”	Mr. Guan Jianzhong, a controlling Shareholder of the Company, and the spouse of Ms. Han and the father of Ms. Guan;
“Ms. Guan”	Ms. Guan Siyi and executive Director and the daughter of Mr. Guan and Ms. Han;
“Ms. Han”	Ms. Han Jianhong, an executive Director, and the spouse of Mr. Guan;
“Ocean Gold”	Ocean Gold Shipping Limited, a company incorporated in Hong Kong, being the owner of Vessel 1;
“Ocean Tide”	Ocean Tide Shipping Limited, a company incorporated in Hong Kong, being the owner of Vessel 2;
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan;
“RMB”	Renminbi yuan, the lawful currency of the PRC;

“Sanjiang Chemical”	三江化工有限公司 (Sanjiang Chemical Co. Ltd.*), a company established in the PRC with limited liability on 9 December 2003, which is an indirect wholly-owned subsidiary of the Company;
“Shareholder(s)”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vessel 1”	Hull Number VLEC H2754;
“Vessel 1 Delivery Date”	the expected delivery date of Vessel 1 to Sanjiang Chemical, being between 28 February 2027 and 30 May 2027;
“Vessel 2”	Hull Number VLEC H2755;
“Vessel 2 Delivery Date”	the expected delivery date of Vessel 2 to Sanjiang Chemical, being between 30 May 2027 and 30 August 2027; and
“%”	per cent.

By order of the Board
China Sanjiang Fine Chemicals Company Limited
HAN Jianhong
Chairlady and executive Director

The PRC, 7 March 2025

As at the date of this announcement, the Board comprises four executive Directors: Ms. HAN Jianhong, Mr. RAO Huotao, Ms. CHEN Xian and Ms. GUAN Siyi and three independent non-executive Directors: Mr. SHEN Kaijun, Ms. PEI Yu and Mr. KONG Liang.

In this announcement, if there is any inconsistency between the Chinese names of individuals and the entities or enterprises established in the PRC and their English translations, the Chinese names shall prevail. The English translation of names or any descriptions in Chinese which are marked with “” is for identification purpose only.*