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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**

### **CONTINUING CONNECTED TRANSACTIONS UNDER THE IT BUSINESS SERVICES FRAMEWORK AGREEMENT**

Reference is made to the announcement of the Company dated 13 May 2025 and 21 October 2025 in relation to the information system services agreement for the year 2025 entered into between Sinochem Fertilizer, an indirect wholly-owned subsidiary of the Company, and Sinochem Digital Intelligence. Such agreement will expire on 31 December 2025. On 15 December 2025, Sinochem Fertilizer entered into the IT Business Services Framework Agreement with Sinochem Digital Intelligence, pursuant to which Sinochem Digital Intelligence agreed to continue providing IT business services to Sinochem Fertilizer, including system operation and maintenance services, enhancement-related services, IT resource leasing services and software genuine licensing and Information Technology Application Innovation (ITAI) foundational software procurement services, during the period from 1 January 2026 to 31 December 2026 (both days inclusive).

#### **LISTING RULES IMPLICATIONS**

Sinochem Holdings is the ultimate controlling shareholder of the Company, indirectly 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 Digital Intelligence, 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 IT Business Services Framework Agreement constitute continuing connected transactions of the Company. Given that the relevant applicable percentage ratios in respect of the annual cap for continuing connected transactions contemplated under the IT Business Services Framework 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 May 2025 and 21 October 2025 in relation to the information system services agreement for the year 2025 entered into

between Sinochem Fertilizer, an indirect wholly-owned subsidiary of the Company, and Sinochem Digital Intelligence. Such agreement will expire on 31 December 2025.

On 15 December 2025, Sinochem Fertilizer entered into the IT Business Services Framework Agreement with Sinochem Digital Intelligence, pursuant to which Sinochem Digital Intelligence agreed to continue providing IT business services to Sinochem Fertilizer, including system operation and maintenance services, enhancement-related services, IT resource leasing services and software genuine licensing and ITAI foundational software procurement services, during the period from 1 January 2026 to 31 December 2026 (both days inclusive).

## **PRINCIPAL TERMS OF THE IT BUSINESS SERVICES FRAMEWORK AGREEMENT**

### ***Date***

15 December 2025

### ***Parties***

- (a) Sinochem Fertilizer
- (b) Sinochem Digital Intelligence

### ***Scope of services and pricing***

Pursuant to the IT Business Services Framework Agreement, Sinochem Digital Intelligence agreed to continue providing IT business-related services to Sinochem Fertilizer, including (i) system operation and maintenance services, (ii) enhancement-related services, (iii) IT resource leasing services, and (iv) software genuine licensing and ITAI foundational software procurement services. The details of the scope of services and the pricing thereof are set out below:

- (i) The system operation and maintenance services mainly involve system operation and maintenance fees and cloud resource fees for centrally developed (including newly added) projects. The specific amount payable by Sinochem Fertilizer for the system operation and maintenance services provided by Sinochem Digital Intelligence will be settled based on a separate system operation and maintenance fee schedule to be executed between Sinochem Fertilizer and Sinochem Digital Intelligence.
- (ii) The enhancement-related services mainly involve small-scale project development and implementation, project management, special operation and maintenance services beyond daily maintenance (such as small-scale enhancement requests or migration of application systems to cloud platforms), procurement support services, etc. The fees for enhancement-related services will be charged based on the work performed by Sinochem Digital Intelligence, at a standard rate of no more than RMB2,500 per technician per day.
- (iii) The IT resource leasing services mainly involve big data platform services, Yiyunpan (易雲盤) cloud drive leasing services and Internet Data Center (IDC) hosting services.

Big data platform services are charged and administered based on Technical Computing Unit (TCU), at an annual rate of RMB 13,200 per TCU. The fees for Yiyunpan leasing services and IDC hosting services will be charged based on capacity or user scale according to the specific requirements submitted by Sinochem Fertilizer, with the unit prices set out in the IT Business Services Framework Agreement.

- (iv) The software genuine licensing and ITAI foundational software procurement services mainly involve Sinochem Digital Intelligence procuring genuine software and ITAI software for Sinochem Fertilizer according to its requirements. The unit prices for each software item are set out in the IT Business Services Framework Agreement.

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.

### ***Payment terms***

The fees for the services will be settled in different ways depending on the nature of the work performed:

- (i) Order-based settlement: Settlement will be made based on individual orders. Upon Sinochem Fertilizer and Sinochem Digital Intelligence entering into a specific IT services order, Sinochem Digital Intelligence will issue a special Value-Added Tax (VAT) invoice for the corresponding amount, and Sinochem Fertilizer shall make payment within 15 business days after receipt of the invoice.
- (ii) Prepayment: Upon execution of the Big Data Platform Resource Application Form or the Resource Requirement Order, Sinochem Digital Intelligence will issue a special VAT invoice for the corresponding amount, and Sinochem Fertilizer shall make payment within 15 business days after receipt of the invoice. Sinochem Digital Intelligence will activate the relevant resources after receipt of the payment.

### ***Term***

The service period under the IT Business Services Framework Agreement is from 1 January 2026 to 31 December 2026 (both days inclusive).

## **ANNUAL CAP AND HISTORICAL TRANSACTION AMOUNT**

The annual cap in respect of the fees payable by Sinochem Fertilizer to Sinochem Digital Intelligence under the IT Business Services Framework Agreement for the year ending 31 December 2026 will be RMB18,000,000. The annual cap has been determined based on the estimated service requirements, usage duration and frequency of the relevant services, the associated service costs and pricing standards. Among these, the estimated fees for system operation and maintenance services are approximately RMB9,500,000, enhancement-related services approximately RMB5,500,000, IT resource leasing services approximately RMB2,000,000, and software genuine licensing and ITAI foundational software procurement services approximately RMB1,000,000.

The historical amounts of the fees paid by Sinochem Fertilizer to Sinochem Digital Intelligence for information system services for the two years ended 31 December 2024 and the ten months ended 31 October 2025 were approximately RMB5,020,000, RMB9,754,000 and RMB10,828,786, respectively.

## **REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS**

Sinochem Fertilizer has the demand for a variety of IT business related services in its ordinary course of business. The entering into of the IT Business Services Framework Agreement with Sinochem Digital Intelligence will facilitate Sinochem Fertilizer to acquire stable and efficient IT business-related services at a reasonable cost, thereby enhancing efficiency in its day-to-day operations and reducing its management costs.

The Directors, including the independent non-executive Directors, are of the view that the continuing connected transactions contemplated under the IT Business Services Framework 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 cap for the continuing connected transactions contemplated under the IT Business Services Framework Agreement is fair and reasonable.

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

## **LISTING RULES IMPLICATIONS**

Sinochem Holdings is the ultimate controlling shareholder of the Company, indirectly 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 Digital Intelligence, 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 IT Business Services Framework Agreement constitute continuing connected transactions of the Company. Given that the relevant applicable percentage ratios in respect of the annual cap for continuing connected transactions contemplated under the IT Business Services Framework 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.

## **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 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 Digital Intelligence, 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
“IT Business Services Framework Agreement”	the IT business services framework agreement for the year 2026 entered into between Sinochem Fertilizer and Sinochem Digital Intelligence on 15 December 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 Digital Intelligence”	中化數智科技有限公司 (Sinochem Digital Intelligence Technology Co., Ltd.) (formerly known as 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, 15 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.*