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*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 3983)**

## **ANNOUNCEMENT**

### **DISCLOSEABLE TRANSACTION SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCT**

#### **INTRODUCTION**

#### **THE BOC STRUCTURED DEPOSIT AGREEMENTS**

We refer to the Announcements in relation to, among other things, the subscription for structured deposit products of BOC by the Group. As disclosed in the Announcements, on 16 May 2023, the Company entered into the BOC Structured Deposit Agreement No. 4 with BOC Hainan Branch to subscribe for the structured deposit product of RMB800 million, using self-owned funds of the Company; on 20 July 2023, the Company entered into the BOC Structured Deposit Agreement No. 5 with BOC Hainan Branch to subscribe for the structured deposit product of RMB400 million, using self-owned funds of the Company; on 3 August 2023, the Company entered into the BOC Structured Deposit Agreement No. 6 with BOC Hainan Branch to subscribe for the structured deposit product of RMB300 million, using self-owned funds of the Company; and on 3 August 2023, CNOOC Jiantao entered into the BOC Structured Deposit Agreement No. 7 with BOC Hainan Branch to subscribe for the structured deposit product of RMB150 million, using its self-owned funds. The total amount subscribed under the BOC Structured Deposit Agreement No. 4, the BOC Structured Deposit Agreement No. 5, the BOC Structured Deposit Agreement No. 6 and the BOC Structured Deposit Agreement No. 7 is RMB1,650 million.

On 28 August 2023, the Company entered into the BOC Structured Deposit Agreement No. 8 with BOC Hainan Branch. Pursuant to the BOC Structured Deposit Agreement No. 8, the Company agreed to subscribe for the structured deposit product of RMB200 million, using self-owned funds of the Company.

## **HONG KONG LISTING RULES IMPLICATIONS**

As (i) the BOC Structured Deposit Agreement No. 4, the BOC Structured Deposit Agreement No. 5, the BOC Structured Deposit Agreement No. 6, the BOC Structured Deposit Agreement No. 7 and the BOC Structured Deposit Agreement No. 8 were entered into between the Company or CNOOC Jiantao, a subsidiary of the Company, and branch of BOC; and (ii) when entering into the BOC Structured Deposit Agreement No. 8, the structured deposits under the BOC Structured Deposit Agreement No. 4, the BOC Structured Deposit Agreement No. 5, the BOC Structured Deposit Agreement No. 6 and the BOC Structured Deposit Agreement No. 7 remain outstanding, pursuant to Rule 14.22 of the Hong Kong Listing Rules, these transactions shall be aggregated. Pursuant to the Hong Kong Listing Rules, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) of the aggregated transaction amounts of the BOC Structured Deposit Agreements exceeds 5% but all of the ratios are below 25%, such transactions constitute discloseable transactions of the Company and shall be subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Hong Kong Listing Rules.

## **BACKGROUND**

We refer to the Announcements in relation to, among other things, the subscription for structured deposit products of BOC by the Group. As disclosed in the Announcements, on 16 May 2023, the Company entered into the BOC Structured Deposit Agreement No. 4 with BOC Hainan Branch to subscribe for the structured deposit product of RMB800 million, using self-owned funds of the Company; on 20 July 2023, the Company entered into the BOC Structured Deposit Agreement No. 5 with BOC Hainan Branch to subscribe for the structured deposit product of RMB400 million, using self-owned funds of the Company; on 3 August 2023, the Company entered into the BOC Structured Deposit Agreement No. 6 with BOC Hainan Branch to subscribe for the structured deposit product of RMB300 million, using self-owned funds of the Company; and on 3 August 2023, CNOOC Jiantao entered into the BOC Structured Deposit Agreement No. 7 with BOC Hainan Branch to subscribe for the structured deposit product of RMB150 million, using its self-owned funds. The total amount subscribed under the BOC Structured Deposit Agreement No. 4, the BOC Structured Deposit Agreement No. 5, the BOC Structured Deposit Agreement No. 6 and the BOC Structured Deposit Agreement No. 7 is RMB1,650 million.

On 28 August 2023, the Company entered into the BOC Structured Deposit Agreement No. 8 with BOC Hainan Branch. Pursuant to the BOC Structured Deposit Agreement No. 8, the Company agreed to subscribe for the structured deposit product of RMB200 million, using self-owned funds of the Company.

## THE BOC STRUCTURED DEPOSIT AGREEMENT NO. 8

Parties:	The Company;  BOC Hainan Branch  To the best of Directors' knowledge, information and belief after making all reasonable enquiries, BOC and its ultimate beneficial owner are third parties independent of the Group and its connected persons
Date:	28 August 2023
Product name:	掛鈎型結構性存款 (機構客戶) (Linked Structured Deposit (institutional clients))*
Purchase amount:	RMB200 million
Term of product:	302 days (29 August 2023 to 26 June 2024)
Type of investment return:	principal and minimum return guaranteed
Risk level of product (internal risk rating by the bank):	low risk
Range of annualized return rate expected by the Company:	1.50%-3.07%
Right of early termination or redemption:	The Company has no right of early termination or redemption

## **REASONS AND BENEFITS**

Using temporary idle funds reasonably and effectively will enhance the capital gain of the Company, which is consistent with the core objectives of the Company to ensure capital safety and liquidity and meet the capital needs of the Group's daily operations and dividend payment, etc. The risk associated with subscription of structured deposit products is low, while the Company can enjoy a relatively higher return from investments in structural deposit products after comparing quotes from different banks.

The Directors consider that the terms and the transactions contemplated under the BOC Structured Deposit Agreements are fair and reasonable, on normal commercial terms, and are in the interests of the Company and its shareholders as a whole.

## **INFORMATION OF THE PARTIES INVOLVED**

The Company mainly engages in the developments, production and sale of fertilisers (including urea, phosphate and compound fertilisers) and chemical products (primarily methanol and acrylonitrile).

BOC is a large commercial bank in the PRC. BOC Hainan Branch is a branch of BOC.

## **HONG KONG LISTING RULES IMPLICATIONS**

As (i) the BOC Structured Deposit Agreement No. 4, the BOC Structured Deposit Agreement No. 5, the BOC Structured Deposit Agreement No. 6, the BOC Structured Deposit Agreement No. 7 and the BOC Structured Deposit Agreement No. 8 were entered into between the Company or CNOOC Jiantao, a subsidiary of the Company, and branch of BOC; and (ii) when entering into the BOC Structured Deposit Agreement No. 8, the structured deposits under the BOC Structured Deposit Agreement No. 4, the BOC Structured Deposit Agreement No. 5, the BOC Structured Deposit Agreement No. 6 and the BOC Structured Deposit Agreement No. 7 remain outstanding, pursuant to Rule 14.22 of the Hong Kong Listing Rules, these transactions shall be aggregated. Pursuant to the Hong Kong Listing Rules, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) of the aggregated transaction amounts of the BOC Structured Deposit Agreements exceeds 5% but all of the ratios are below 25%, such transactions constitute discloseable transactions of the Company and shall be subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Hong Kong Listing Rules.

## DEFINITIONS

Unless the context otherwise requires, the following expressions shall have the following meanings:

“Announcements”	the announcements of the Company dated 16 May 2023, 20 July 2023 and 3 August 2023 in relation to, among other things, the subscription of structured deposit products by the Company under the BOC Structured Deposit Agreement No. 4, the BOC Structured Deposit Agreement No. 5 and the BOC Structured Deposit Agreement No. 6, respectively and the subscription of structured deposit product by CNOOC Jiantao under the BOC Structured Deposit Agreement No. 7
“Board”	the board of Directors
“BOC”	中國銀行股份有限公司(Bank of China Limited*), a joint stock company incorporated in the PRC with limited liability and a licensed bank in the PRC, the H shares of which are listed on the Stock Exchange (stock code: 3988)
“BOC Structured Deposit Agreement No. 4”	the BOC structured deposit agreement entered into between the Company and BOC Hainan Branch on 16 May 2023
“BOC Structured Deposit Agreement No. 5”	the BOC structured deposit agreement entered into between the Company and BOC Hainan Branch on 20 July 2023
“BOC Structured Deposit Agreement No. 6”	the BOC structured deposit agreement entered into between the Company and BOC Hainan Branch on 3 August 2023
“BOC Structured Deposit Agreement No. 7”	the BOC structured deposit agreement entered into between CNOOC Jiantao and BOC Hainan Branch on 3 August 2023
“BOC Structured Deposit Agreement No. 8”	the BOC structured deposit agreement entered into between the Company and BOC Hainan Branch on 28 August 2023
“BOC Structured Deposit Agreements”	the BOC Structured Deposit Agreement No. 4, the BOC Structured Deposit Agreement No. 5, the BOC Structured Deposit Agreement No. 6, the BOC Structured Deposit Agreement No. 7, and the BOC Structured Deposit Agreement No. 8
“CNOOC Jiantao”	中海石油建滔化工有限公司(CNOOC Kingboard Chemical Limited*), a company established in the PRC and the equity interest of which is owned as to 60% by the Company and 40% by 建滔投資有限公司 (Kingboard Investments Limited*)

“Company”	中海石油化學股份有限公司(China BlueChemical Ltd.*), a company incorporated in the PRC, the H shares of which are listed on the Stock Exchange (stock code: 3983)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board  
**China BlueChemical Ltd.\***  
**Kuang Xiaobing**  
*Company Secretary*

Beijing, the PRC  
28 August 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Hou Xiaofeng and Mr. Li Ruiqing, the non-executive directors of the Company are Mr. Huang Hulong and Mr. Zhao Baoshun, and the independent non-executive directors of the Company are Mr. Yu Changchun, Mr. Lin Feng and Mr. Xie Dong.*

\* *For identification purpose only*