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河南金源氫化化工股份有限公司

HENAN JINYUAN HYDROGENATED CHEMICALS CO., LTD.*

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

(Stock Code: 2502)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

BACKGROUND

Reference is made to the prospectus of the Company dated 12 December 2023 in relation to, among other things, the continuing connected transactions contemplated under the Existing Framework Agreements entered into between the Group and (i) Jinma Energy, and (ii) Yugang Coking.

As the Existing Framework Agreements will expire on 31 December 2025, the Company has entered into the New Framework Agreements in order to renew the Existing Framework Agreements and set New Annual Caps for a term of three years from 1 January 2026 to 31 December 2028, as more particularly described herein.

LISTING RULES IMPLICATIONS

Jinma Energy is a substantial shareholder of the Company whilst Yugang Coking (being held as to approximately 88.03% by Golden Fair Chemicals (Holdings) Limited, which is in turn indirectly wholly-owned by Mr. Wang Lijie) is an associate of Mr. Wang Lijie, a director of the Company. Therefore, both Jinma Energy and Yugang Coking are connected persons of the Company. Accordingly, the transactions contemplated under the New Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Partially exempt continuing connected transactions

As one or more of the applicable percentage ratios in respect of the New Annual Caps for the transactions contemplated under the New Purchase of General Services Framework Agreement exceed 0.1% but all of them are less than 5%, the New Purchase of General Services Framework Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the Independent Shareholders' approval and circular requirements of the Listing Rules.

Non-exempt Continuing Connected Transactions

As the highest applicable percentage ratio in respect of the New Annual Caps for the transactions contemplated under each of the (i) New Sale of By-products Framework Agreement and (ii) New Yugang Coking Supply Framework Agreement exceeds 5%, the (i) New Sale of By-products Framework Agreement and (ii) New Yugang Coking Supply Framework Agreement and the transactions contemplated thereunder are subject to the annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the transactions contemplated under the (i) New Purchase of Crude Coking Coal Gas Framework Agreement, (ii) New Purchase of Crude Benzene Framework Agreement, (iii) New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement, and (iv) New Miscellaneous Purchases Framework Agreement involve the purchase of materials by the Group from the Jinma Group, the relevant New Annual Caps are aggregated for the purpose of calculating the applicable percentage ratios under the Listing Rules. As the highest applicable percentage ratio, on an aggregated basis, exceeds 5%, the (i) New Purchase of Crude Coking Coal Gas Framework Agreement, (ii) New Purchase of Crude Benzene Framework Agreement, (iii) New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement, and (iv) New Miscellaneous Purchases Framework Agreement and the transactions contemplated thereunder are subject to the annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

I. INTRODUCTION

A. Background

Reference is made to the prospectus of the Company dated 12 December 2023 in relation to, among other things, the continuing connected transactions contemplated under the Existing Framework Agreements entered into between the Group and (i) Jinma Energy, and (ii) Yugang Coking.

As the Existing Framework Agreements will expire on 31 December 2025, the Company has entered into the New Framework Agreements in order to renew the Existing Framework Agreements and set New Annual Caps for a term of three years from 1 January 2026 to 31 December 2028.

The New Framework Agreements and the New Annual Caps in respect of the Non-exempt Continuing Connected Transactions will be subject to the approval of the Independent Shareholders at the general meeting of the Company.

B. Summary of the continuing connected transactions and New Annual Caps

Summary of the continuing connected transactions

Connected person	Connected person's relationship with the Company	Nature of the continuing connected transactions with the Company
1. Jinma Group	Jinma Energy is directly and indirectly interested in 75% of the total share capital of the Company in aggregate, and is a substantial shareholder of the Company	(a) Purchase of general services by the Group from the Jinma Group (b) Sale of by-products by the Group to the Jinma Group (c) Purchase of crude coking coal gas by the Group from the Jinma Group (d) Purchase of crude benzene by the Group from the Jinma Group (e) Purchase of raw materials for the Coke Granule Coal Gas Facilities by the Group from the Jinma Group (f) Purchases of miscellaneous materials by the Group from the Jinma Group
2. Yugang Coking Group	Yugang Coking is held as to approximately 88.03% by Golden Fair Chemicals (Holdings) Limited, which is in turn indirectly wholly-owned by Mr. Wang Lijie, a non-executive director of the Company	Sale of products (including coal gas and refined oil) by the Group to the Yugang Coking Group

Summary of the New Annual Caps

		New Annual Caps		
		For the year ending 31 December 2026	**For the year ending 31 December 2027**	**For the year ending 31 December 2028**
		RMB'million	*RMB'million*	*RMB'million*
1.	**Continuing connected transactions with the Jinma Group**			
	(a) Purchase of general services by the Group from the Jinma Group	6.1	6.1	6.1
	(b) Sale of by-products by the Group to the Jinma Group	66#	66#	66#
	(c) Purchase of crude coking coal gas by the Group from the Jinma Group	530#	530#	530#
	(d) Purchase of crude benzene by the Group from the Jinma Group	261#	261#	261#
	(e) Purchase of raw materials for the Coke Granule Coal Gas Facilities by the Group from the Jinma Group	93#	93#	93#
	(f) Purchase of miscellaneous materials by the Group from the Jinma Group	6.6#	6.6#	6.6#
2.	**Continuing connected transactions with the Yugang Coking Group**			
	Sale of products by the Group to the Yugang Coking Group	43#	43#	43#

Notes:

1. Where a New Annual Cap is marked "#" that means the proposed New Annual Caps for the relevant continuing connected transaction exceed the 5% Threshold, accordingly the transaction is subject to the approval by the Independent Shareholders.

2. For the purposes of ascertaining whether a continuing connected transaction would exceed the 5% Threshold, the transactions under paragraphs 1.(c), (d), (e) and (f) have been aggregated given that they all involve the purchase of materials by the Group from the Jinma Group.

II. PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

Purchase of General Services from the Jinma Group

A summary of the salient terms of the New Purchase of General Services Framework Agreement is set out below. The terms of the New Purchase of General Services Framework Agreement are substantially the same as those of the Existing Purchase of General Services Framework Agreement.

Date:	1 December 2025
Parties:	(1) The Company (2) Jinma Energy
Term:	1 January 2026 to 31 December 2028
Subject matter:	The Group may, from time to time, procure from the Jinma Group certain general services such as wastewater treatment, chemical examination, maintenance and construction consultation services (the "**General Services**") by entering into specific agreements with the Jinma Group, setting out details of the requisite service specifications.
Pricing policy:	The service fees payable by the Group to the Jinma Group for the provision of the General Services shall be determined on a cost basis, with reference to the actual costs and expenses incurred by the Jinma Group in providing the General Services to the Company. The Company will also obtain quotations from Independent Third Parties to ensure that the service fees charged by the Jinma Group are at rates comparable to those charged by Independent Third Parties (or more favourable to the Company) for the provision of comparable services.
Payment term:	Payments from the Group to the Jinma Group for such General Services will be settled on a monthly basis.

New Annual Caps and basis of determination

The table below summarises the existing annual caps for the transactions contemplated under the Existing Purchase of General Services Framework Agreement.

	For the year ended 31 December 2023 *RMB'million*	**For the year ended 31 December 2024** *RMB'million*	**For the year ending 31 December 2025** *RMB'million*
Existing annual caps	13	8	8

The table below summarises the historical transaction amounts involved in the transactions contemplated under the Existing Purchase of General Services Framework Agreement.

	From Listing Date to 31 December 2023 *RMB'million*	**For the year ended 31 December 2024** *RMB'million*	**For the 10 months ended 31 October 2025** *RMB'million*
Historical transaction amounts	0.2	7.6	5.7

Pursuant to the New Purchase of General Services Framework Agreement, the New Annual Caps for the transactions contemplated thereunder are as follows:

	For the year ending 31 December 2026 *RMB'million*	**For the year ending 31 December 2027** *RMB'million*	**For the year ending 31 December 2028** *RMB'million*
New Annual Caps	6.1	6.1	6.1

The above New Annual Caps were determined after having taken into account the following factors:

(i) the historical transaction amounts; and

(ii) the expected decrease in the Group's demand for the relevant chemical examination services and wastewater treatment services for the three years ending 31 December 2026, in particular, as the Group intends to conduct its own independent chemical examinations, it will no longer require chemical examination services from the Jinma Group going forward.

Taking into account and on the basis of the aforesaid factors, the New Annual Cap under the New Purchase of General Services Framework Agreement for each of the three years ending 31 December 2028 has been slightly adjusted downwards to RMB6.1 million.

Reasons for and benefits of the transactions

The Group has been purchasing the General Services from the Jinma Group, which has consistently provided stable and reliable services to the Group.

Considering that the Group does not currently have wastewater treatment facilities, the Directors consider it to be beneficial for the Group to continue purchasing wastewater treatment services from the Jinma Group instead of constructing the Group's own wastewater facilities or engaging Independent Third Party providers that are expected to charge higher rates due to additional transportation costs. In addition, if the Group were to perform maintenance and construction consultation services itself, the Group would be required to employ additional staff, provide requisite training and construct and/or acquire relevant premises and facilities. Hence, by engaging such centralised services from the Jinma Group, the Group can lower its costs. In view of the above, the Board considers it beneficial for the Group to continue to purchase General Services from the Jinma Group.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the New Purchase of General Services Framework Agreement and the transactions contemplated thereunder are fair and reasonable, entered into on normal commercial terms or better, in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

III. NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

A. Sale of by-products to the Jinma Group

A summary of the salient terms of the New Sale of By-products Framework Agreement is set out below. The terms of the New Sale of By-products Framework Agreement are substantially the same as those of the Existing Sale of By-products Framework Agreement.

Date:	1 December 2025
Parties:	(1) The Company (2) Jinma Energy
Term:	1 January 2026 to 31 December 2028
Subject matter:	The Jinma Group may, from time to time, place purchase orders with the Group, specifying the amount of by-products including steam and chemical products such as heavy benzol (the "**By-products**") required by the Jinma Group, the requisite product specifications, as well as the expected delivery schedule. Following the Group's acceptance of the orders, the Group will sell the relevant By-products to the Jinma Group and deliver the products according to the agreed delivery schedule.
Pricing policy:	The pricing of the By-products shall be determined according to the following mechanisms: (i) in respect of chemical products: the Company will regularly monitor the movements and trends of the market price of such chemical products and determine the current price range of such chemical products based on the relevant prevailing market prices, information on market inventory levels and the sales price provided by the Group to Independent Third Parties. The Company will also hold regular internal price analysis meetings to determine the prices of such chemical products. The parties shall determine the final price after arm's length negotiations, taking into account the relevant transportation costs; and (ii) in respect of steam: the Company will regularly monitor the movements and trends of the price of steam and determine the current price range of steam based on sales price provided by the Group to Independent Third Parties. The parties shall determine the final price after arm's length negotiations, taking into account the specification of the steam and power generation costs.

Payment term:	Payments to the Group from the Jinma Group for the purchase of By-products will be settled on a monthly basis.
Condition precedent:	The New Sale of By-products Framework Agreement is subject to and shall become effective upon the passing of the relevant resolution by the Independent Shareholders at the general meeting of the Company approving the New Sale of By-products Framework Agreement and the transactions contemplated thereunder pursuant to the requirements of the Listing Rules.

New Annual Caps and basis of determination

The table below summarises the existing annual caps for the transactions contemplated under the Existing Sale of By-products Framework Agreement.

	For the year ended 31 December 2023	**For the year ended 31 December 2024**	**For the year ending 31 December 2025**
	RMB'million	*RMB'million*	*RMB'million*
Existing annual caps	33	37	37

The table below summarises the historical transaction amounts involved in the transactions contemplated under the Existing Sale of By-products Framework Agreement.

	From Listing Date to 31 December 2023	**For the year ended 31 December 2024**	**For the 10 months ended 31 October 2025**
	RMB'million	*RMB'million*	*RMB'million*
Historical transaction amounts	0.8	36.6	17.8

The Board noted the decrease in the transaction amount for the 10 months ended 31 October 2025, which was mainly due to a drop in the average price of heavy benzol by approximately 17% for the 10 months ended 31 October 2025 as compared to that in 2024.

Pursuant to the New Sale of By-products Framework Agreement, the New Annual Caps for the transactions contemplated thereunder are as follows:

	For the year ending 31 December 2026 *RMB'million*	**For the year ending 31 December 2027** *RMB'million*	**For the year ending 31 December 2028** *RMB'million*
New Annual Caps	66	66	66

The above New Annual Caps were determined after having taken into account the following factors:

(i) the historical transaction amounts;

(ii) the Jinma Group's expected increase in demand for heavy benzol (being the primary By-product expected to be sold by the Group to the Jinma Group), which is a raw material for the production of coal-tar based chemicals, in view of Jinma Group's expansion in its processing capacity of coal tar by 100% from 2026 onwards; and

(iii) the Group's expected increase in production capacity of LNG by 30% from the first half of 2026 onwards, resulting in the production of a larger amount of steam as a by-product and, in turn, a larger sales amount given that the Jinma Group has a large demand for steam for its production.

Taking into account and on the basis of the aforesaid factors, it is estimated that the overall transaction amount under the New Sale of By-products Framework Agreement for the year ending 31 December 2026 will increase by around two times from the annualised transaction amount in 2025 (calculated in accordance with the actual transaction amount for the 10 months ended 31 October 2025), and remain stable for the two years ending 31 December 2028. Accordingly, RMB66 million has been set as the New Annual Caps for each of the three years ending 31 December 2028.

Reasons for and benefits of the transactions

The Group has historically sold its By-products to the Jinma Group and other Independent Third Parties. As it is beneficial to the Group to have uptakers for its By-products, considering the geographical proximity and long history of the relationship between the Group and the Jinma Group, and that the selling price of the By-products is no less favourable than those offered to Independent Third Parties, the Group intends to continue selling the By-products to the Jinma Group.

In light of the above, the Directors (excluding the independent non-executive Directors, whose views will be given after taking into consideration the advice from the Independent Financial Adviser) are of the view that the New Sale of By-products Framework Agreement and the transactions contemplated thereunder are fair and reasonable, entered into on normal commercial terms or better, in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

B. Purchase of crude coking coal gas from the Jinma Group

A summary of the salient terms of the New Purchase of Crude Coking Coal Gas Framework Agreement is set out below. The terms of the New Purchase of Crude Coking Coal Gas Framework Agreement are substantially the same as those of the Existing Purchase of Crude Coking Coal Gas Framework Agreement.

Date:	1 December 2025
Parties:	(1) The Company (2) Jinma Energy
Term:	1 January 2026 to 31 December 2028
Subject matter:	The Group may, from time to time, place purchase orders with the Jinma Group, specifying the amount of crude coking coal gas required by the Group, the requisite product specifications, as well as the expected delivery schedule. The Jinma Group will sell crude coking coal gas to the Group and deliver the products according to the agreed delivery schedule. Further, the Jinma Group will be obliged to first satisfy the Group's requirements for crude coking coal gas before it is permitted to sell its crude coking coal gas to any other party.

Pricing policy: The pricing of crude coking coal gas shall be determined by both parties after arm's length negotiations, which normally take place in January every year, with reference to:

(i) the historical purchase price of crude coking coal gas paid by the Group to the Jinma Group;

(ii) the market price of coal (being the raw material of crude coking coal gas), which, in turn, is determined with reference to various factors such as the quotations obtained from Independent Third Party suppliers and the movements and trends in the price of coal;

(iii) the price of crude coking coal gas in Henan province in general, which mainly reflects the internal selling price within a group, given that crude coking coal gas (which is one of the coking by-products of the coking process) needs to be delivered through pipelines, resulting in a relatively closed market with crude coking coal gas producers often giving priority to (a) self-use, followed by (b) sale to nearby subsidiaries for further processing, as well as the price of coal gas, which is regulated by the Concession Agreement, pursuant to which the end-user price of the Group's coal gas shall follow the benchmark rates approved by the pricing authorities in Jiyuan city; and

(iv) a reasonable profit margin for the Group.

Payment term: Payments from the Group to the Jinma Group for the purchase of crude coking coal gas will be settled on a monthly basis.

Condition precedent: The New Purchase of Crude Coking Coal Gas Framework Agreement is subject to and shall become effective upon the passing of the relevant resolution by the Independent Shareholders at the general meeting of the Company approving the New Purchase of Crude Coking Coal Gas Framework Agreement and the transactions contemplated thereunder pursuant to the requirements of the Listing Rules.

New Annual Caps and basis of determination

The table below summarises the existing annual caps for the transactions contemplated under the Existing Purchase of Crude Coking Coal Gas Framework Agreement.

	For the year ended 31 December 2023	**For the year ended 31 December 2024**	**For the year ending 31 December 2025**
	RMB'million	*RMB'million*	*RMB'million*
Existing annual caps	380	400	400

The table below summarises the historical transaction amounts involved in the transactions contemplated under the Existing Purchase of Crude Coking Coal Gas Framework Agreement.

	From Listing Date to 31 December 2023	**For the year ended 31 December 2024**	**For the 10 months ended 31 October 2025**
	RMB'million	*RMB'million*	*RMB'million*
Historical transaction amounts	12.4	377.5	325.6

Pursuant to the New Purchase of Crude Coking Coal Gas Framework Agreement, the New Annual Caps for the transactions contemplated thereunder are as follows:

	For the year ending 31 December 2026	**For the year ending 31 December 2027**	**For the year ending 31 December 2028**
	RMB'million	*RMB'million*	*RMB'million*
New Annual Caps	530	530	530

The above New Annual Caps were determined after having taken into account the following factors:

(i) the historical transaction amounts and historical transaction volumes;

(ii) the average price of crude coking coal gas purchased by the Group from the Jinma Group for the 10 months ended 31 October 2025 being RMB0.63 per m^3 and the expectation that the price of crude coking coal gas will increase by approximately 9.5% to RMB0.69 per m^3 for the three years ending 31 December 2026, 2027 and 2028 considering a trend of increase in the price of coal and with reference to the pricing notice of products published by Jinma Energy in November 2025; and

(iii) the expected increase in volume of crude coking coal gas to be purchased by the Group from the Jinma Group to 770 million m^3 for the three years ending 31 December 2028 as compared to 517 million m^3 for the 10 months ended 31 October 2025 due to the Jinma Group's recent intention to acquire additional coke production capacities, which, if materialises, is expected to result in an increase in production of crude coking coal gas as a by-product by the Jinma Group.

Taking into account and on the basis of the aforesaid factors, it is estimated that the overall transaction amount under the New Purchase of Crude Coking Coal Gas Framework Agreement for the year ending 31 December 2026 will increase by 36% from the annualised transaction amount in 2025 (calculated in accordance with the actual transaction amount for the 10 months ended 31 October 2025), and remain stable for the two years ending 31 December 2028. Accordingly, RMB530 million has been set as the New Annual Caps for each of the three years ending 31 December 2028.

Reasons for and benefits of the transactions

Crude coking coal gas is the principal raw material for the Group's production of its energy products, which will be processed into coal gas before being delivered for the production of LNG and acquisition of hydrogen, respectively. In light of the close proximity to the Jinma Group and convenience in sourcing from the Jinma Group, the Group has historically purchased a substantial amount of crude coking coal gas as raw material from the Jinma Group. Considering that (i) the chemical properties and industry/market characteristics of crude coking coal gas make it desirable for the Group to source from the Jinma Group, (ii) it is consistent with the national strategic policy of promoting circular economic development, and (iii) the Group is able to rely on the Jinma Group for an adequate and stable supply of crude coking coal gas, the Group intends to continue sourcing crude coking coal gas from the Jinma Group as a raw material for its production of coal gas.

In light of the above, the Directors (excluding the independent non-executive Directors, whose views will be given after taking into consideration the advice from the Independent Financial Adviser) are of the view that the New Purchase of Crude Coking Coal Gas Framework Agreement and the transactions contemplated thereunder are fair and reasonable, entered into on normal commercial terms or better, in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

C. Purchase of crude benzene from the Jinma Group

A summary of the salient terms of the New Purchase of Crude Benzene Framework Agreement is set out below. The terms of the New Purchase of Crude Benzene Framework Agreement are substantially the same as those of the Existing Purchase of Crude Benzene Framework Agreement.

Date:	1 December 2025
Parties:	(1) The Company (2) Jinma Energy
Term:	1 January 2026 to 31 December 2028
Subject matter:	The Group will, from time to time, place purchase orders with the Jinma Group, specifying the amount of crude benzene required by the Group, the requisite product specifications, as well as the expected delivery schedule. The Jinma Group will sell crude benzene to the Group and deliver the products according to the agreed delivery schedule.
Pricing policy:	The pricing of crude benzene shall be determined according to the following mechanism: the Company will regularly monitor the movements and trends of the futures price of crude benzene and determine the prevailing price range of crude benzene after considering various factors such as the quotations obtained from Independent Third Party suppliers, and the movements and trends of the price of crude benzene. Based on such a prevailing price range and taking into account the historical average delivered duty paid price of crude benzene, the Company will agree on the final price with the Jinma Group after arm's length negotiations.
Payment term:	Payments from the Group to the Jinma Group for the purchase of crude benzene will be settled on a monthly basis.
Condition precedent:	The New Purchase of Crude Benzene Framework Agreement is subject to and shall become effective upon the passing of the relevant resolution by the Independent Shareholders at the general meeting of the Company approving the New Purchase of Crude Benzene Framework Agreement and the transactions contemplated thereunder pursuant to the requirements of the Listing Rules.

New Annual Caps and basis of determination

The table below summarises the existing annual caps for the transactions contemplated under the Existing Purchase of Crude Benzene Framework Agreement.

	For the year ended 31 December 2023	**For the year ended 31 December 2024**	**For the year ending 31 December 2025**
	RMB'million	*RMB'million*	*RMB'million*
Existing annual caps	231	261	261

The table below summarises the historical transaction amounts involved in the transactions contemplated under the Existing Purchase of Crude Benzene Framework Agreement.

	From Listing Date to 31 December 2023	**For the year ended 31 December 2024**	**For the 10 months ended 31 October 2025**
	RMB'million	*RMB'million*	*RMB'million*
Historical transaction amounts	6.2	234.2	136.0

The Board noted the decrease in the transaction amount for the 10 months ended 31 October 2025, which was mainly due to the substantial decrease in the average price of crude benzene during the period driven by the then market conditions.

Pursuant to the New Purchase of Crude Benzene Framework Agreement, the New Annual Caps for the transactions contemplated thereunder are as follows:

	For the year ending 31 December 2026	**For the year ending 31 December 2027**	**For the year ending 31 December 2028**
	RMB'million	*RMB'million*	*RMB'million*
New Annual Caps	261	261	261

The above New Annual Caps were determined after having taken into account the following factors:

(i) the historical transaction amounts and transaction volumes of crude benzene;

(ii) the assumption that the average price of crude benzene will increase by 26.5% from approximately RMB4,900 per tonne for the 10 months ended 31 October 2025 to approximately RMB6,200 per tonne for each of the three years ending 31 December 2028 considering the recovering economy in the PRC, and the historical average price of crude benzene reaching RMB7,000 per tonne in 2024; and

(iii) the expected increase in the volume of crude benzene to be purchased by the Group from the Jinma Group for each of the three years ending 31 December 2028 to 42,000 tonnes from 28,036 tonnes for the 10 months ended 31 October 2025 due to the expected increase in supply by the Jinma Group.

Taking into account and on the basis of the aforesaid factors, it is estimated that the overall transaction amount under the New Purchase of Crude Benzene Framework Agreement for the year ending 31 December 2026 will increase by approximately 59% from the annualised transaction amount in 2025 (calculated in accordance with the actual transaction amount for the 10 months ended 31 October 2025), and will remain stable for the two years ending 31 December 2028. Accordingly, RMB261 million has been set as the New Annual Caps for each of the three years ending 31 December 2028.

Reasons for and benefits of the transactions

The Group has historically purchased crude benzene from the Jinma Group for the Group's manufacture of hydrogenated benzene-based chemicals. As a result of such a long-term relationship between the Group and the Jinma Group, the Jinma Group is familiar with the Group's business processes, requirements and quality standards and is able to supply crude benzene that meets the Group's procurement standards on a continuous basis. Further, the geographic proximity of the relevant facilities of the Jinma Group minimises transportation costs and time. As such, the Group intends to continue sourcing some of its crude benzene from the Jinma Group.

In light of the above, the Directors (excluding the independent non-executive Directors, whose views will be given after taking into consideration the advice from the Independent Financial Adviser) are of the view that the New Purchase of Crude Benzene Framework Agreement and the transactions contemplated thereunder are fair and reasonable, entered into on normal commercial terms or better, in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

D. Purchase of raw materials for the Coke Granule Coal Gas Facilities from the Jinma Group

A summary of the salient terms of the New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement is set out below. The terms of the New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement are substantially the same as those of the Existing Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement.

Date:	1 December 2025
Parties:	(1) The Company (2) Jinma Energy
Term:	1 January 2026 to 31 December 2028
Subject matter:	The Group will, from time to time, place purchase orders with the Jinma Group, specifying the amount of the raw materials for the Coke Granule Coal Gas Facilities including coke granules, oxygen and steam (the "**Coke Granule Coal Gas Raw Materials**") required by the Company, the requisite product specifications, as well as the expected delivery schedule. The Jinma Group will sell Coke Granule Coal Gas Raw Materials (as the case may be) to the Group and deliver the products according to the agreed delivery schedule.
Pricing policy:	The pricing of the Coke Granule Coal Gas Raw Materials shall be determined according to the following mechanism: the Company will regularly monitor the movements and trends in the prices of the Coke Granule Coal Gas Raw Materials and determine the prevailing price range after referring to the prevailing market prices and quotations from Independent Third Parties. Based on such a prevailing price range and taking into account the relevant transportation costs where applicable, the Company will agree on the final price with Jinma Energy after arm's length negotiations.
Payment term:	Payments from the Group to the Jinma Group for the purchase of Coke Granule Coal Gas Raw Materials will be settled on a monthly basis.
Condition precedent:	The New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement is subject to and shall become effective upon the passing of the relevant resolution by the Independent Shareholders at the general meeting of the Company approving the New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement and the transactions contemplated thereunder pursuant to the requirements of the Listing Rules.

New Annual Caps and basis of determination

The table below summarises the existing annual caps for the transactions contemplated under the Existing Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement.

	For the year ended 31 December 2023	**For the year ended 31 December 2024**	**For the year ending 31 December 2025**
	RMB'million	*RMB'million*	*RMB'million*
Existing annual caps	47	140	140

The table below summarises the historical transaction amounts involved in the transactions contemplated under the Existing Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement.

	From Listing Date to 31 December 2023	**For the year ended 31 December 2024**	**For the 10 months ended 31 October 2025**
	RMB'million	*RMB'million*	*RMB'million*
Historical transaction amounts	2.4	13.6	6.3

Coke Granule Coal Gas Raw Materials are raw materials used for the operation of the Coke Granule Coal Gas Facilities which produce coal gas (a primary raw material for one of the Group's major product – LNG). However, since December 2023, the cost of sourcing coal gas directly from external suppliers has been lower than the production costs. As a result, in order to maximise cost efficiency, the Group has significantly reduced the operation of the Coke Granule Coal Gas Facilities to produce coal gas (which in turn has led to the low utilisation of the existing annual caps in respect of the purchase of Coke Granule Coal Gas Raw Materials during the term of the Existing Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement). However, since the price and availability of externally sourced coal gas are subject to market fluctuations, the Group has continuously monitored, and will continue to monitor, the prices of externally sourced coal gas, and if the cost of sourcing coal gas exceeds the cost of production, the Group will reassess and consider increasing the operation of its Coke Granule Coal Gas Facilities to ensure a stable supply of coal gas for the Group's production of LNG. As such, it is crucial for the Group to maintain a minimal level of operation of the Coke Granule Coal Gas Facilities in order to ensure smooth operations of such facilities, such that the Group will have a reliable and accessible source of coal gas supply whenever needed.

Pursuant to the New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement, the New Annual Caps for the transactions contemplated thereunder are as follows:

	For the year ending 31 December 2026 *RMB'million*	**For the year ending 31 December 2027** *RMB'million*	**For the year ending 31 December 2028** *RMB'million*
New Annual Caps	93	93	93

The above New Annual Caps were determined after having taken into account the following factors:

(i) the historical transaction amounts;

(ii) the assumption that, for each of the three years ending 31 December 2028, the prices of the Coke Granule Coal Gas Raw Materials will remain at the prevailing prices in 2024;

(iii) the expectation that the Coke Granule Coal Gas Facilities may be required to operate at a reasonable production capacity required to be utilised to produce Coke Granule Coal Gas in the event that the Group is unable to source the requisite coal gas directly from external suppliers, and that the Group's level of demand of Coke Granule Coal Gas Raw Materials from the Jinma Group remains comparable to that in 2024 for the purpose of maintaining a minimal level of operation of the Coke Granule Coal Gas Facilities as disclosed above; and

(iv) more specifically, in respect of coke granules (being the primary Coke Granule Coal Gas Raw Material expected to be purchased by the Group from the Jinma Group), it is expected that the average price will remain at RMB1,415 per tonne (being the prevailing price in 2024), and the Group will purchase approximately 43,200 tonnes from the Jinma Group for each of the three years ending 31 December 2028.

Taking into account the low utilisation rate of the existing caps for the years 2024 and 2025, the Board proposed that the New Annual Caps under the New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement for each of the three years ending 31 December 2026 be adjusted downwards by more than 33% to RMB93 million from the existing cap of RMB140 million for the year ending 31 December 2025.

Reasons for and benefits of the transactions

The Group has to purchase coke granules, oxygen and steam for the operation of the Coke Granule Coal Gas Facilities. Whilst coke granules, oxygen and steam are commodities that could easily be sourced from Independent Third Parties, the geographical proximity of the Jinma Group could minimise transportation costs and time for the delivery of such raw materials. Hence, given that the Group would only source the Coke Granule Coal Gas Raw Materials from the Jinma Group when the relevant price is comparable to those offered by Independent Third Parties (or more favourable to the Group), sourcing the coke granules, oxygen and steam directly from the Jinma Group could maximise the Group's operational efficiency and stability of its operations. In light of the above, the Company considers that it is in the Group's best interests to have flexibility in sourcing the Coke Granule Coal Gas Raw Materials from the Jinma Group as raw materials for its production of Coke Granule Coal Gas.

In light of the above, the Directors (excluding the independent non-executive Directors, whose views will be given after taking into consideration the advice from the Independent Financial Adviser) are of the view that the New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement and the transactions contemplated thereunder are fair and reasonable, entered into on normal commercial terms or better, in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

E. Purchase of miscellaneous materials from the Jinma Group

A summary of the salient terms of the New Miscellaneous Purchases Framework Agreement is set out below. The terms of the New Miscellaneous Purchases Framework Agreement are substantially the same as those of the Existing Miscellaneous Purchases Framework Agreement.

Date:	1 December 2025
Parties:	(1) The Company (2) Jinma Energy
Term:	1 January 2026 to 31 December 2028
Subject matter:	The Group may, from time to time, procure ancillary materials for the Group's production process, including compressed air, nitrogen, desalinated water and other chemicals (the "**Miscellaneous Materials**") from the Jinma Group.
Pricing policy:	The pricing of Miscellaneous Materials shall be determined according to the following mechanism: the Company will regularly monitor the movements and trends in the prices of the Miscellaneous Materials and determine the prevailing price range of such products after taking into account the relevant prevailing market prices and quotations obtained from Independent Third Parties. Based on such a prevailing price range and taking into account the historical average delivered price and the relevant transportation fees, the Company will agree on the final price with the Jinma Group after arm's length negotiations.
Payment term:	Payments from the Group to the Jinma Group for the Miscellaneous Materials will be settled on a monthly basis.
Condition precedent:	The New Miscellaneous Purchases Framework Agreement is subject to and shall become effective upon the passing of the relevant resolution by the Independent Shareholders at the general meeting of the Company approving the New Miscellaneous Purchases Framework Agreement and the transactions contemplated thereunder pursuant to the requirements of the Listing Rules.

New Annual Caps and basis of determination

The table below summarises the existing annual caps for the transactions contemplated under the Existing Miscellaneous Purchases Framework Agreement.

	For the year ended 31 December 2023	**For the year ended 31 December 2024**	**For the year ending 31 December 2025**
	RMB'million	*RMB'million*	*RMB'million*
Existing annual caps	3.2	4.0	4.0

The table below summarises the historical transaction amounts involved in the transactions contemplated under the Existing Miscellaneous Purchases Framework Agreement.

	From Listing Date to 31 December 2023	**For the year ended 31 December 2024**	**For the 10 months ended 31 October 2025**
	RMB'million	*RMB'million*	*RMB'million*
Historical transaction amounts	0.2	4.0	3.4

Pursuant to the New Miscellaneous Purchases Framework Agreement, the New Annual Caps for the transactions contemplated thereunder are as follows:

	For the year ending 31 December 2026	**For the year ending 31 December 2027**	**For the year ending 31 December 2028**
	RMB'million	*RMB'million*	*RMB'million*
New Annual Caps	6.6	6.6	6.6

The above New Annual Caps were determined after having taken into account the following factors:

(i) the historical transaction amounts; and

(ii) the expected increase in demand for the Miscellaneous Materials as raw materials of the Group in light of the Group's expected increase in production capacity of LNG by 30% from 2026 onwards, and the expected attainment of full production capacity of the Company.

Taking into account and on the basis of the aforesaid factors, it is estimated that the overall transaction amount under the New Miscellaneous Purchases Framework Agreement for the year ending 31 December 2026 will increase by 61% from the annualised transaction amount in 2025 (calculated in accordance with the actual transaction amount for the 10 months ended 31 October 2025), and remain stable for the two years ending 31 December 2028. Accordingly, RMB6.6 million has been set as the New Annual Caps for each of the three years ending 31 December 2028.

Reasons for and benefits of the transactions

The Group has historically sourced the Miscellaneous Materials from the Jinma Group as ancillary materials in its production process. Whilst the Miscellaneous Materials are commodities that could easily be sourced from Independent Third Parties, the geographical proximity of the Jinma Group could minimise transportation costs and time for delivery of such ancillary materials. Hence, sourcing Miscellaneous Materials directly from the Jinma Group could maximise the Group's operational efficiency and stability of its operations. In light of the above, the Company considers it to be in the best interests of the Group to source and intends to continue sourcing the Miscellaneous Materials from the Jinma Group as ancillary materials required in the Group's production process.

In light of the above, the Directors (excluding the independent non-executive Directors, whose views will be given after taking into consideration the advice from the Independent Financial Adviser) are of the view that the New Miscellaneous Purchases Framework Agreement and the transactions contemplated thereunder are fair and reasonable, entered into on normal commercial terms or better, in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

F. Sale of products (including coal gas and refined oil) to the Yugang Coking Group

A summary of the salient terms of the New Yugang Coking Supply Framework Agreement is set out below. The terms of the New Yugang Coking Supply Framework Agreement are substantially the same as those of the Existing Yugang Coking Supply Framework Agreement.

Date:	1 December 2025
Parties:	(1) The Company (2) Yugang Coking
Term:	1 January 2026 to 31 December 2028
Subject matter:	The Yugang Coking Group will, from time to time, place purchase orders with the Company, specifying the amount of products (including coal gas and refined oil) required by the Yugang Coking Group, the requisite product specifications, as well as the expected delivery schedule. Following the Group's acceptance of the orders, the Group will sell the relevant products to the Yugang Coking Group and deliver the products according to the agreed delivery schedule.
Pricing policy:	The pricing of the relevant products shall be determined according to the following mechanism: the Company will regularly monitor the movements and trends of the market price of the relevant products and determine the current price range of the relevant products based on the prevailing market prices, information on market inventory levels and the sales price provided by the Group to Independent Third Parties. The Company will also hold regular internal price analysis meetings to determine the prices of the relevant products. The parties shall determine the final price after arm's length negotiations, taking into account the relevant transportation costs.
Payment term:	Payments to the Group from the Yugang Coking Group for the purchase of products will be settled on a monthly basis.
Condition precedent:	The New Yugang Coking Supply Framework Agreement is subject to and shall become effective upon the passing of the relevant resolution by the Independent Shareholders at the general meeting of the Company approving the New Yugang Coking Supply Framework Agreement and the transactions contemplated thereunder pursuant to the requirements of the Listing Rules.

New Annual Caps and basis of determination

The table below summarises the existing annual caps for the transactions contemplated under the Existing Yugang Coking Supply Framework Agreement.

	For the year ended 31 December 2023	**For the year ended 31 December 2024**	**For the year ending 31 December 2025**
	RMB'million	*RMB'million*	*RMB'million*
Existing annual caps	35	35	35

The table below summarises the historical transaction amounts involved in the transactions contemplated under the Existing Yugang Coking Supply Framework Agreement.

	From Listing Date to 31 December 2023	**For the year ended 31 December 2024**	**For the 10 months ended 31 October 2025**
	RMB'million	*RMB'million*	*RMB'million*
Historical transaction amounts	0.6	13.6	0.04

The low utilisation of the existing annual caps is mainly due to the Yugang Coking Group not purchasing coal gas from the Group due to a delay in its business development plans that was originally scheduled to take part during such periods.

Pursuant to the New Yugang Coking Supply Framework Agreement, the New Annual Caps for the transactions contemplated thereunder are as follows:

	For the year ending 31 December 2026 *RMB'million*	**For the year ending 31 December 2027** *RMB'million*	**For the year ending 31 December 2028** *RMB'million*
New Annual Caps	43	43	43

The above New Annual Caps were determined after having taken into account the following factors:

(i) the historical transaction amounts; and

(ii) the expected substantive increase in the amount of coal gas to be sold by the Group to the Yugang Coking Group for each of the three years ending 31 December 2028 to approximately 43 million m^3, taking into account the expansion of the production facilities of the Yugang Coking Group which increases its demand of coal gas as a raw material for the production of photovoltaic glass. Based on an expected unit price of RMB0.96 for the sale of coal gas by the Group for each of the three years ending 31 December 2028, such increase in demand is expected to result in an increase of sales of over RMB40 million.

Taking into account and on the basis of the aforesaid factors, it is estimated that the overall transaction amount under the New Yugang Coking Supply Framework Agreement for the year ending 31 December 2026 will increase substantially by over RMB40 million, and remain stable for the two years ending 31 December 2028. Accordingly, RMB43 million has been set as the New Annual Caps for the three years ending 31 December 2028.

Reasons for and benefits of the transactions

The Group has historically sold its products to the Yugang Coking Group and other Independent Third Parties. The sale of products to the Yugang Coking Group will contribute to the overall sales of the Group's products and the implementation of the Group's sales plan. Considering the geographical proximity and long history of the relationship between the Group and the Yugang Coking Group, and that the selling prices of the products are no less favourable than those offered to Independent Third Parties, the Group intends to continue selling the products to the Yugang Coking Group.

In light of the above, the Directors (excluding the independent non-executive Directors, whose views will be given after taking into consideration the advice from the Independent Financial Adviser) are of the view that the New Yugang Coking Supply Framework Agreement and the transactions contemplated thereunder are fair and reasonable, entered into on normal commercial terms or better, in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

IV. INFORMATION ON THE PARTIES

A. Information on the Company and the Group

The Company is a company established in the PRC with limited liability and is principally engaged in the production and sales of hydrogenated benzene-based chemicals. The Group is principally engaged in the production and sale of hydrogenated benzene-based chemicals, coal gas and LNG, the trading of LNG, refined oil and hydrogen, and the provision of other services, including the provision of steam. Jinma Energy directly and indirectly (through its wholly-owned subsidiary) holds in aggregate 75% of the total share capital of the Company.

B. Information on Jinma Energy and the Jinma Group

Jinma Energy is a company established in the PRC with limited liability whose shares are listed on the Stock Exchange (stock code: 6885). As at the date of this announcement and in so far as the Company is aware, Jinma Energy is held as to approximately:

(i) 30.76%, directly and indirectly (through wholly-owned companies), by Mr. Yiu Chiu Fai (a non-executive director of the Company);

(ii) 26.89% by Maanshan Iron & Steel Company Limited (馬鞍山鋼鐵股份有限公司), a company whose A and H shares are listed on the Shanghai Stock Exchange and the Main Board of the Stock Exchange, respectively, and is principally engaged in the manufacture and sale of iron and steel. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Maanshan Iron & Steel Company Limited (馬鞍山鋼鐵股份有限公司) is an Independent Third Party;

(iii) 9.89% by Jiangxi PXSteel Industrial Co. Ltd.* (江西萍鋼實業股份有限公司, a steel enterprise based in the PRC), which in turn is ultimately controlled by Mr. Fang Wei, who to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is an Independent Third Party; and

(iv) 8.01% by Jiyuan Jinma Xingye Investment Co., Ltd.* (濟源市金馬興業投資有限公司, the principal business of which is investment holding), which in turn is held as to approximately 33.44% by Mr. Wang Lijie (a non-executive director of the Company).

The Jinma Group is a leading coke producer and processor of coking by-products in the coking chemical industry in Henan province, the PRC. The Jinma Group operates a vertically integrated business model along the coking chemical value chain from coke production to the processing of coking by-products into refined chemicals and energy products.

C. Information on Yugang Coking and the Yugang Coking Group

Yugang Coking is a company established in the PRC with limited liability. The Yugang Coking Group is principally engaged in the processing of petroleum, coal and other fuel products. Yugang Coking is held as to 88.03% by Golden Fair Chemicals (Holdings) Limited (the principal business of which is investment holding, and which is in turn indirectly wholly-owned by Mr. Wang Lijie, a non-executive director of the Company) and 11.97% by Luoyang Railway Yuntong Group Co., Ltd.* (洛陽鐵路運通集團有限公司) (the principal business of which is railway transport support, logistics and warehousing, and which is in turn ultimately wholly-owned by the State Council of the PRC).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Luoyang Railway Yuntong Group Co., Ltd.* (洛陽鐵路運通集團有限公司) and its ultimate beneficial owner are Independent Third Parties.

V. INTERNAL CONTROL MEASURES

The Company has adopted the following internal control measures in respect of the transactions contemplated under the New Framework Agreements.

In order to ensure that the transactions contemplated under the New Framework Agreements will be conducted in accordance with the relevant pricing policies, the pricing for the relevant purchases and sales will be managed by the pricing committee of the relevant member of the Group, chaired by the general manager of the relevant member of the Group and will include the heads of operations, finance, production and technology of the relevant member of the Group. The pricing committee will meet on a weekly/monthly basis to determine the relevant prices for the transactions contemplated under the New Framework Agreements.

The utilisation rate of the New Annual Caps will be monitored on a monthly basis by the finance department of the Company. In the event that the utilisation rate of any of the New Annual Caps reaches 80%, the head of the finance department will issue a written alert notification to the head of the relevant shipping, procurement and/or operations department, and all subsequent purchases and/or sales must be approved by the head of the finance department of the Company.

VI. LISTING RULES IMPLICATIONS

Jinma Energy is a substantial shareholder of the Company and therefore is a connected person of the Company. Accordingly, the entering into of the (i) New Purchase of General Services Framework Agreement, (ii) New Sale of By-products Framework Agreement, (iii) New Purchase of Crude Coking Coal Gas Framework Agreement, (iv) New Purchase of Crude Benzene Framework Agreement, (v) New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement, and (vi) New Miscellaneous Purchases Framework Agreement, and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Mr. Wang Lijie is a non-executive director of the Company and hence a connected person of the Company. Yugang Coking (being held as to approximately 88.03% by Golden Fair Chemicals (Holdings) Limited, which is in turn indirectly wholly-owned by Mr. Wang Lijie) is an associate of Mr. Wang Lijie. Accordingly, the entering into of the New Yugang Coking Supply Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Partially exempt continuing connected transactions

As one or more of the applicable percentage ratios in respect of the New Annual Caps for the transactions contemplated under the New Purchase of General Services Framework Agreement exceed 0.1% but all of them are less than 5%, the New Purchase of General Services Framework Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the Independent Shareholders' approval and circular requirements of the Listing Rules.

Non-exempt Continuing Connected Transactions

As the highest applicable percentage ratio in respect of the New Annual Caps for the transactions contemplated under each of the (i) New Sale of By-products Framework Agreement and (ii) New Yugang Coking Supply Framework Agreement exceeds 5%, the (i) New Sale of By-products Framework Agreement and (ii) New Yugang Coking Supply Framework Agreement and the transactions contemplated thereunder are subject to the annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the transactions contemplated under the (i) New Purchase of Crude Coking Coal Gas Framework Agreement, (ii) New Purchase of Crude Benzene Framework Agreement, (iii) New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement, and (iv) New Miscellaneous Purchases Framework Agreement involve the purchase of materials by the Group from the Jinma Group, the relevant New Annual Caps are aggregated for the purpose of calculating the applicable percentage ratios under the Listing Rules. As the highest applicable percentage ratio, on an aggregated basis, exceeds 5%, the (i) New Purchase of Crude Coking Coal Gas Framework Agreement, (ii) New Purchase of Crude Benzene Framework Agreement, (iii) New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement, and (iv) New Miscellaneous Purchases Framework Agreement and the transactions contemplated thereunder are subject to the annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Board resolutions approving the New Framework Agreements

In view of Mr. Wang Lijie's interest in Yugang Coking, Mr. Wang Lijie has abstained from voting on the relevant Board resolutions approving the New Yugang Coking Supply Framework Agreement. Further, Mr. Yiu Chiu Fai and Mr. Wang Lijie have abstained from voting on the relevant Board resolutions approving the New Framework Agreements entered into with Jinma Energy in view of their respective positions as directors in Jinma Energy.

Save as disclosed, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Director has any material interest in the New Framework Agreements and was required to abstain from voting on the relevant Board resolutions.

VII. APPROVAL BY THE INDEPENDENT SHAREHOLDERS AND DESPATCH OF CIRCULAR IN RESPECT OF THE NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

An Independent Board Committee comprising the independent non-executive Directors (namely, Ms. Wong Yan Ki Angel, Mr. Di Zhigang and Ms. Leung Sin Yeng Winnie) has been established to advise the Independent Shareholders on whether or not the New Framework Agreements, the transactions contemplated thereunder and the New Annual Caps in respect of the Non-exempt Continuing Connected Transactions are conducted in the ordinary and usual course of business and on normal commercial terms or better, fair and reasonable and in the interests of the Company and its shareholders as a whole.

An Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the New Framework Agreements, the transactions contemplated thereunder and the New Annual Caps in respect of the Non-exempt Continuing Connected Transactions.

A circular containing, inter alia, (i) further details of the Non-exempt Continuing Connected Transactions; (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions, will be despatched to the Shareholders on or before 9 December 2025 in accordance with the Listing Rules.

VIII. DEFINITIONS

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

"5% Threshold"	the thresholds referred to in Rule 14A.76(2)(a) of the Listing Rules
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"By-products"	has the meaning ascribed to it under the section headed "III. Non-Exempt Continuing Connected Transactions – A. Sale of by-products to the Jinma Group" in this announcement
"Coke Granule Coal Gas"	coal gas produced from the Coke Granule Coal Gas Facilities

"Coke Granule Coal Gas Facilities"	the Group's facilities in the Jiyuan high-tech industrial chemical park for the production of Coke Granule Coal Gas from coke granules by heating small coke granules in an oxygen environment
"Coke Granule Coal Gas Raw Materials"	has the meaning ascribed to it under the section headed "III. Non-Exempt Continuing Connected Transactions – D. Purchase of raw materials for the Coke Granule Coal Gas Facilities from the Jinma Group" in this announcement
"Company"	Henan Jinyuan Hydrogenated Chemicals Co., Ltd.* (河南金源氢化化工股份有限公司), a company established in the PRC with limited liability
"Concession Agreement"	the concession agreement entered into by Jiyuan Jinning Energy Co., Ltd.* (濟源市金寧能源實業有限公司, a 51% subsidiary of the Company) with the local government of Jinyuan city for a period of 10 years commencing from 16 April 2023 to 15 April 2033, pursuant to which the Group was granted the exclusive right to sell and transport coal gas to, among others, industrial enterprises in the vicinity of Huancheng Road (環城路) and the residents of Du Village (杜村) in Chengliu town (承留鎮), Jiyuan city
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Directors"	the director(s) of the Company
"Existing Framework Agreements"	collectively, (i) the Existing Purchase of General Services Framework Agreement, (ii) the Existing Sale of By-products Framework Agreement, (iii) the Existing Purchase of Crude Coking Coal Gas Framework Agreement, (iv) the Existing Purchase of Crude Benzene Framework Agreement, (v) the Existing Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement, (vi) the Existing Miscellaneous Purchases Framework Agreement, and (vii) the Existing Yugang Coking Supply Framework Agreement, and each a "Existing Framework Agreement"
"Existing Miscellaneous Purchases Framework Agreement"	the agreement dated 6 December 2023 entered into between the Company and Jinma Energy in relation to the purchase of the Miscellaneous Materials by the Group from the Jinma Group

"Existing Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement"	the agreement dated 6 December 2023 entered into between the Company and Jinma Energy in relation to the purchase of Coke Granule Coal Gas Raw Materials by the Group from the Jinma Group
"Existing Purchase of Crude Benzene Framework Agreement"	the agreement dated 6 December 2023 entered into between the Company and Jinma Energy in relation to the purchase of crude benzene by the Group from the Jinma Group
"Existing Purchase of Crude Coking Coal Gas Framework Agreement"	the agreement dated 6 December 2023 entered into between the Company and Jinma Energy in relation to the purchase of crude coking coal gas by our Group from the Jinma Group
"Existing Purchase of General Services Framework Agreement"	the agreement dated 6 December 2023 entered into between the Company and Jinma Energy in relation to the purchase of General Services by the Group from the Jinma Group
"Existing Sale of By-products Framework Agreement"	the agreement dated 6 December 2023 entered into between the Company and Jinma Energy in relation to the sale of By-products by the Group to the Jinma Group
"Existing Yugang Coking Supply Framework Agreement"	the agreement dated 6 December 2023 entered into between the Company and Yugang Coking in relation to the sale of products including coal gas and LNG by the Group to the Yugang Coking Group
"General Services"	has the meaning ascribed to it under the section headed "II. Partially Exempt Continuing Connected Transactions – Purchase of general services from the Jinma Group" in this announcement
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent board committee of the Company comprising of all the independent non-executive Directors, namely Ms. Wong Yan Ki Angel, Mr. Di Zhigang and Ms. Leung Sin Yeng Winnie
"Independent Financial Adviser"	First Shanghai Capital Limited, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the New Framework Agreements and the transactions contemplated thereunder in respect of the Non-exempt Continuing Connected Transactions

"Independent Shareholders"	Shareholders other than those who are required to abstain from voting at the general meeting of the Company, pursuant to the Listing Rules, on each of the New Framework Agreements and the transactions contemplated thereunder in respect of the Non-exempt Continuing Connected Transactions
"Independent Third Party(ies)"	party(ies) independent and not connected with the Company and its connected persons
"Jinma Energy"	Henan Jinma Energy Company Limited (河南金馬能源股份有限公司), a company established in the PRC with limited liability
"Jinma Group"	Jinma Energy and its associates (excluding the Group)
"Listing Date"	20 December 2023, the date on which the H shares of the Company were first listed on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"LNG"	liquefied natural gas
"Miscellaneous Materials"	has the meaning ascribed to it under the section headed "III. Non-Exempt Continuing Connected Transactions – E. Purchase of miscellaneous materials from the Jinma Group" in this announcement
"New Annual Cap(s)"	the new annual cap(s) set for the transactions contemplated under each of the New Framework Agreements
"New Framework Agreements"	collectively, (i) the New Purchase of General Services Framework Agreement, (ii) the New Sale of By-products Framework Agreement, (iii) the New Purchase of Crude Coking Coal Gas Framework Agreement, (iv) the New Purchase of Crude Benzene Framework Agreement, (v) the New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement, (vi) the New Miscellaneous Purchases Framework Agreement, and (vii) the New Yugang Coking Supply Framework Agreement, and each a "New Framework Agreement"
"New Miscellaneous Purchases Framework Agreement"	the agreement dated 1 December 2025 entered into between the Company and Jinma Energy, details of which are set out in the section headed "III. Non-Exempt Continuing Connected Transactions – E. Purchase of miscellaneous materials from the Jinma Group" in this announcement

"New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement"	the agreement dated 1 December 2025 entered into between the Company and Jinma Energy, details of which are set out in the section headed "III. Non-Exempt Continuing Connected Transactions – D. Purchase of raw materials for the Coke Granule Coal Gas Facilities from the Jinma Group" in this announcement
"New Purchase of Crude Benzene Framework Agreement"	the agreement dated 1 December 2025 entered into between the Company and Jinma Energy, details of which are set out in the section headed "III. Non-Exempt Continuing Connected Transactions – C. Purchase of crude benzene from the Jinma Group" in this announcement
"New Purchase of Crude Coking Coal Gas Framework Agreement"	the agreement dated 1 December 2025 entered into between the Company and Jinma Energy, details of which are set out in the section headed "III. Non-Exempt Continuing Connected Transactions – B. Purchase of crude coking coal gas from the Jinma Group" in this announcement
"New Purchase of General Services Framework Agreement"	the agreement dated 1 December 2025 entered into between the Company and Jinma Energy, details of which are set out in the section headed "II. Partially Exempt Continuing Connected Transactions – Purchase of General Services from the Jinma Group" in this announcement
"New Sale of By-products Framework Agreement"	the agreement dated 1 December 2025 entered into between the Company and Jinma Energy, details of which are set out in the section headed "III. Non-Exempt Continuing Connected Transactions – A. Sale of by-products to the Jinma Group" in this announcement
"New Yugang Coking Supply Framework Agreement"	the agreement dated 1 December 2025 entered into between the Company and the Yugang Coking Group, details of which are set out in the section headed "III. Non-Exempt Continuing Connected Transactions – F. Sale of products (including coal gas and refined oil) to the Yugang Coking Group" in this announcement
"Non-exempt Continuing Connected Transactions"	the transactions contemplated under (i) the New Sale of By-products Framework Agreement, (ii) the New Purchase of Crude Coking Coal Gas Framework Agreement, (iii) the New Purchase of Crude Benzene Framework Agreement, (iv) the New Purchase of Coke Granule Coal Gas Raw Materials Framework Agreement, (v) the New Miscellaneous Purchases Framework Agreement, and (vi) the New Yugang Coking Supply Framework Agreement

"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	holder(s) of the shares in the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Yugang Coking"	Henan Hongkong (Jiyuan) Coking Group Co., Ltd.* (豫港(濟源)焦化集團有限公司), a company established in the PRC with limited liability
"Yugang Coking Group"	Yugang Coking and its associates
"%"	per cent

* *For identification purpose only*

By order of the Board
Henan Jinyuan Hydrogenated Chemicals Co., Ltd.*
Wang Zengguang
Executive Director

Hong Kong, 1 December 2025

As at the date of this announcement, the executive Directors of the Company are Mr. Wang Zengguang and Mr. Qiao Erwei; the non-executive Directors are Mr. Yiu Chiu Fai, Mr. Wang Kaibao and Mr. Wang Lijie; and the independent non-executive Directors are Ms. Wong Yan Ki Angel, Mr. Di Zhigang and Ms. Leung Sin Yeng Winnie.