THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Sinopec Kantons Holdings Limited (the "**Company**"), you should at once hand this circular together with the accompanying form of proxy to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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中国石化
SINOPEC

SINOPEC KANTONS HOLDINGS LIMITED

(中石化冠德控股有限公司) *

(incorporated in Bermuda with limited liability)

(Stock Code: 934)

PROPOSALS FOR
(I) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE CRUDE OIL JETTY SERVICES FRAMEWORK AGREEMENTS
(II) DISCLOSEABLE AND CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE FINANCIAL SERVICES AGREEMENT
AND
NOTICE OF SPECIAL GENERAL MEETING

Independent financial adviser to the Independent Board Committee and the Independent Shareholders

邁時資本
MAXA CAPITAL

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 5 to 27 of this circular.

A letter from the Independent Board Committee containing its recommendation to the Shareholders is set out on pages 28 to 29 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Shareholders is set out on pages 30 to 49 of this circular.

A notice convening the SGM to be held at Salon Rooms II-III, 5/F., Harbour Grand Hong Kong, 23 Oil Street, North Point, Hong Kong at 2:30 p.m. on 30 March 2026, Monday is set out on pages 55 to 57 of this circular.

Whether or not you are able to attend the SGM or any adjournment thereof (as the case may be) in person, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form to the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as practicable, and in any event not later than forty-eight (48) hours before the time appointed for the holding of the SGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM (or any adjourned meeting thereof) should you so desire.

10 March 2026

* *For identification purpose only*

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In this circular, unless the context otherwise requires, the following expressions have the following meanings:

"associate(s)"	has the meaning ascribed to it in the Listing Rules
"Board"	the board of Directors
"Caofeidian Port Group"	曹妃甸港集團股份有限公司 (Caofeidian Port Group Co., Ltd.**), a company incorporated in the PRC with limited liability
"Caofeidian Shihua"	唐山曹妃甸實華原油碼頭有限公司 (Caofeidian Shihua Crude Oil Terminal Co., Ltd.*), a company incorporated in the PRC with limited liability, which is held as to 90% by Sinomart Development and 10% by Caofeidian Port Group as at the Latest Practicable Date
"Company"	Sinopec Kantons Holdings Limited（中石化冠德控股有限公司*), an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it in the Listing Rules
"Consolidation"	the consolidation of the financial results of Caofeidian Shihua into the consolidated financial statements of the Group following the effectiveness of the Exclusive Operation Agreement
"continuing connected transaction(s)"	has the meaning ascribed to it in the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it in the Listing Rules
"Crude Oil Jetty Services Framework Agreements"	the three framework agreements dated 12 February 2026 entered into by Caofeidian Shihua with (a) certain branches and subsidiary of Sinopec Corp. (b) Sinopec Petroleum Reserve Company and (c) Sinopec Petroleum Marketing Company in relation to the provision of crude oil jetty and related services
"Director(s)"	the director(s) of the Company
"Exclusive Operation Agreement"	the agreement entered into between Sinomart Development and Caofeidian Port Group in relation to the exclusive provision of crude oil terminal operation services by Caofeidian Shihua
"Financial Services Agreement"	the framework agreement dated 12 February 2026 entered into between Caofeidian Shihua and Sinopec Finance Tianjin Branch in relation to the provision of deposit and other financial services

"Group"	the Company and its subsidiaries
"HKFRS"	Hong Kong Financial Reporting Standards
"HKFRS 10"	Hong Kong Financial Reporting Standard 10 Consolidated Financial Statements
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Huade Petrochemical"	惠州市大亞灣華德石化有限公司 (Huade Petrochemical Company Limited** in Huizhou Daya Bay), a company incorporated under the laws of the PRC with limited liability, and a wholly-owned subsidiary of the Company
"Independent Board Committee"	the independent board committee of the Board, comprising all independent non-executive Directors, namely Mr. Fong Chung, Mark, Dr. Wong Yau Kar, David, Ms. Wong Pui Sze, Priscilla and Mr. Ye, James Zheng, established for the purpose of considering and advising the Independent Shareholders on the Crude Oil Jetty Services Framework Agreements, the Financial Services Agreement and the transactions contemplated thereunder
"Independent Financial Adviser"	Maxa Capital Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Crude Oil Jetty Services Framework Agreements, the Financial Services Agreement and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders other than SKI and, if any, any other Shareholder(s) who has a material interest and is required to abstain from voting on the relevant resolution(s) at the SGM pursuant to the Listing Rules
"Latest Practicable Date"	6 March 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"NFRA"	National Financial Regulatory Administration（國家金融監督管理總局）

"Original CBIRC"	originally China Banking and Insurance Regulatory Commission(中國銀行保險監督管理委員會), currently known as National Financial Regulatory Administration
"PBOC"	the People's Bank of China
"PRC"	the People's Republic of China, but for the purposes of this circular and for geographical reference purposes (unless otherwise indicated) excludes Taiwan, Macau and Hong Kong
"RMB"	Renminbi, the lawful currency of the PRC
"SGM"	the special general meeting to be convened for the purpose of considering, and if thought fit, passing ordinary resolutions regarding the entering into of the Crude Oil Jetty Services Framework Agreements, the Financial Services Agreement
"Share(s)"	the ordinary share(s) of the Company with a nominal value of HK$0.10 each
"Shareholder(s)"	the holder(s) of the Share(s)
"Sinomart Development"	Sinomart KTS Development Limited(經貿冠德發展有限公司), a company incorporated under the laws of Hong Kong with limited liability and a wholly-owned subsidiary of the Company
"Sinopec Beijing Yanshan Branch"	中國石油化工股份有限公司北京燕山分公司 (China Petroleum & Chemical Corporation Beijing Yanshan Branch**), a branch company of Sinopec Corp. incorporated under the laws of the PRC
"Sinopec Cangzhou Branch"	中國石油化工股份有限公司滄州分公司 (China Petroleum & Chemical Corporation Cangzhou Branch**), a branch company of Sinopec Corp. incorporated under the laws of the PRC
"Sinopec Corp."	China Petroleum & Chemical Corporation（中國石油化工股份有限公司）(stock code: 386), a joint stock limited liability company incorporated in the PRC, the shares of which are listed on the Stock Exchange and Shanghai Stock Exchange, the indirect controlling Shareholder holding approximately 60.33% of the issued share capital of the Company
"Sinopec Finance"	中國石化財務有限責任公司 (Sinopec Finance Company Limited**), a company incorporated under the laws of the PRC with limited liability and is owned as to 51% by Sinopec Group Company and 49% by Sinopec Corp.

"Sinopec Finance Tianjin Branch"	中國石化財務有限責任公司天津分公司 (Sinopec Finance Company Limited Tianjin Branch**), a branch company of Sinopec Finance
"Sinopec Group"	Sinopec Group Company, its subsidiaries and its associated companies and affiliates, including the Group
"Sinopec Group Company"	China Petrochemical Corporation (中國石油化工集團有限公司, formerly known as 中國石油化工總公司), an enterprise established under the laws of the PRC, being the controlling shareholder of Sinopec Corp. and the ultimate controlling Shareholder
"Sinopec Petroleum Marketing Company"	中石化石油銷售有限責任公司 (Sinopec Petroleum Marketing Company Limited**), a company incorporated under the laws of the PRC and a wholly-owned subsidiary of Sinopec Corp.
"Sinopec Petroleum Reserve Company"	中國石化集團石油商業儲備有限公司 (Sinopec Petroleum Reserve Company Limited**), a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of Sinopec Group Company
"Sinopec Shijiazhuang Branch"	中國石油化工股份有限公司石家莊煉化分公司 (China Petroleum & Chemical Corporation Shijiazhuang Refining and Chemical Branch**), a branch company of Sinopec Corp. incorporated under the laws of the PRC
"Sinopec Tianjin"	中石化(天津)石油化工有限公司 (Sinopec (Tianjin) Petrochemical Co., Ltd.**), a wholly-owned subsidiary of Sinopec Corp. incorporated under the laws of the PRC
"SKI"	Sinopec Kantons International Limited, a company incorporated with limited liability in the British Virgin Islands, being the controlling Shareholder of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary"	has the meaning ascribed to it in the Listing Rules

In this circular, unless the context otherwise requires, the terms "associate(s)", "connected person(s)", "continuing connected transaction(s)", "controlling shareholder(s)" and "subsidiary(ies)" shall have the meanings given to such terms in the Listing Rules, as modified by the Stock Exchange from time to time.

Translation of RMB into HK$ is based on the approximate exchange rate of RMB1.000 to HK$1.124 for information purposes only. Such translation should not be construed as representations that the relevant amounts have been, could have been, or could be converted at that rate or any other rate or at all.

** *The English translation of the names of companies incorporated or established in the PRC referred to in this circular is for reference only. The official names of those companies are in Chinese.*



中国石化
SINOPEC

SINOPEC KANTONS HOLDINGS LIMITED
(中石化冠德控股有限公司) *

(incorporated in Bermuda with limited liability)

(Stock Code: 934)

Executive Directors:
Mr. Zhong Fuliang *(Chairman)*
Mr. Yang Yanfei
Mr. Ren Jiajun
Mr. Zou Wenzhi
Mr. Mo Zhenglin
Mr. Sang Jinghua *(General Manager)*

Non-executive Director:
Mr. Tu Yikai

Independent Non-executive Directors:
Mr. Fong Chung, Mark
Dr. Wong Yau Kar, David
Ms. Wong Pui Sze, Priscilla
Mr. Ye, James Zheng

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:
34/F, Citicorp Centre
18 Whitfield Road
Causeway Bay
Hong Kong

10 March 2026

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR
(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE CRUDE OIL JETTY SERVICES FRAMEWORK AGREEMENTS AND
(2) DISCLOSEABLE AND CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE FINANCIAL SERVICES AGREEMENT

I. INTRODUCTION

Reference is made to the announcement of the Company dated 12 February 2026, in relation to, among others, the entering into of the Crude Oil Jetty Services Framework Agreements and Financial Services Agreement on 12 February 2026.

* *For identification purpose only*

The purposes of this circular include:

(i) to provide the Shareholders with further information regarding the details of (a) the Crude Oil Jetty Services Framework Agreement and (b) Financial Services Agreement;

(ii) to set out the recommendation of the Independent Board Committee to the Shareholders and the advice of the Independent Financial Adviser to the Independent Board Committee and the Shareholders in relation to (a) the Crude Oil Jetty Services Framework Agreement and (b) Financial Services Agreement;

(iii) to give the Shareholders other information in accordance with the requirements of the Listing Rules.

II. DISCLOSEABLE AND CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 12 February 2026 in relation to, among other things, the entering into of the Exclusive Operation Agreement on 12 February 2026 between Sinomart Development, a wholly-owned subsidiary of the Company, and Caofeidian Port Group, pursuant to which Caofeidian Shihua shall provide crude oil terminal operation services exclusively to Sinomart Development or customers designated by Sinomart Development.

Although the equity interests in Caofeidian Shihua held by Sinomart Development and Caofeidian Port Group remain unchanged at 90% and 10%, respectively, following the entering into of the Exclusive Operation Agreement and after reassessing the Group's relationship with Caofeidian Shihua in accordance with applicable accounting standards, Caofeidian Shihua has become an indirect non-wholly-owned subsidiary of the Company and its financial results will be consolidated into the consolidated financial statements of the Group.

As a result of the Consolidation, Caofeidian Shihua has become a subsidiary of the Company, and transactions between Caofeidian Shihua and members of the Sinopec Group will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

In order to regulate different categories of such transactions in a structured and transparent manner and to ensure ongoing compliance with the Listing Rules, Caofeidian Shihua has entered into (i) the Crude Oil Jetty Services Framework Agreements with certain members of the Sinopec Group in relation to the provision of crude oil jetty services; and (ii) the Financial Services Agreement with Sinopec Finance Tianjin Branch in relation to the acceptance of deposit and other financial services.

A. THE CRUDE OIL JETTY SERVICES FRAMEWORK AGREEMENTS

The Crude Oil Jetty Services Framework Agreements comprise the following three framework agreements entered into by Caofeidian Shihua with different counterparties within the Sinopec Group in relation to the provision of crude oil jetty: (a) a framework

agreement entered into between Caofeidian Shihua and the relevant branches and subsidiary of Sinopec Corp.; (b) a framework agreement entered into between Caofeidian Shihua and Sinopec Petroleum Reserve Company; and (c) a framework agreement entered into between Caofeidian Shihua and Sinopec Petroleum Marketing Company.

Date

12 February 2026

Parties

(i) Caofeidian Shihua; and

(ii) (a) Sinopec Beijing Yanshan Branch, Sinopec Tianjin, Sinopec Shijiazhuang Branch and Sinopec Cangzhou Branch; (b) Sinopec Petroleum Reserve Company; and (c) Sinopec Petroleum Marketing Company

As each of Sinopec Beijing Yanshan Branch, Sinopec Shijiazhuang Branch and Sinopec Cangzhou Branch is a branch company of Sinopec Corp., each of Sinopec Tianjin and Sinopec Petroleum Marketing Company is a wholly-owned subsidiary of Sinopec Corp., Sinopec Petroleum Reserve Company is a wholly-owned subsidiary of Sinopec Group Company, the controlling Shareholder, each of the above parties is an associate of SKI and therefore a connected person of the Company under Chapter 14A of the Listing Rules.

Term

Each of the Crude Oil Jetty Services Framework Agreements shall become effective upon being approved by the Independent Shareholders at the SGM and shall remain in force until 31 December 2028.

Nature of transactions

Pursuant to the Crude Oil Jetty Services Framework Agreements, Caofeidian Shihua shall provide crude oil jetty and related services to the relevant members of the Sinopec Group (including Sinopec Beijing Yanshan Branch, Sinopec Tianjin, Sinopec Shijiazhuang Branch and Sinopec Cangzhou Branch, Sinopec Petroleum Reserve Company and Sinopec Petroleum Marketing Company) and/or their respective subsidiaries, including unloading crude oil for oil tankers berthed at the terminal of Caofeidian Shihua, oil tanker berthing and docking, and related services.

Caofeidian Shihua shall from time to time enter into definitive agreements with the relevant counterparties under the Crude Oil Jetty Services Framework Agreements and/or their respective subsidiaries in respect of the above services, for which the parties shall negotiate with reference to, among other factors, applicable laws and regulations, market conditions, normal commercial terms, trade customs and the principle of fairness.

Pricing

Pursuant to the Crude Oil Jetty Services Framework Agreements, the service fees payable by Sinopec Beijing Yanshan Branch, Sinopec Tianjin, Sinopec Shijiazhuang Branch, Sinopec Cangzhou Branch, Sinopec Petroleum Reserve Company, and Sinopec Petroleum Marketing Company and/or their respective subsidiaries to Caofeidian Shihua shall be determined on the following basis:

(i) if the services are subject to State-prescribed prices of the PRC, the service fees shall be charged on the basis of such State-prescribed prices;

(ii) if the services are subject to government-approved prices of the PRC, Caofeidian Shihua may, after negotiation among the relevant parties and having considered the factors and basis set out in item (iii) below, apply to the competent government authorities for approval to adjust the relevant service fees, Sinopec Beijing Yanshan Branch, Sinopec Tianjin, Sinopec Shijiazhuang Branch, Sinopec Cangzhou Branch, Sinopec Petroleum Reserve Company, and Sinopec Petroleum Marketing Company shall provide (and shall procure their respective subsidiaries to provide) such assistance as may be required by Caofeidian Shihua;

(iii) if the service fees were previously charged on the basis of State-prescribed prices or government-approved prices, but subsequently, (I) there are no applicable State-prescribed prices or government-approved prices; or (II) such State-prescribed prices or government-approved prices are abolished or declared invalid, the service fees shall be determined based on:

a. the market price determined in accordance with item (iv) below; or

b. if no market price is available, the service fees shall be based on the State-prescribed prices or government-approved prices at which Caofeidian Shihua provided the relevant services in the preceding year, plus a margin not exceeding the product of the rate of increase of the price index for the most recent year as announced by the relevant PRC authorities and the State-prescribed prices or government-approved prices for the preceding year;

(iv) the service fees shall be determined by the parties after arm's length negotiations based on the market price. When determining the market price, the primary factors and pricing basis that the parties shall take into account include:

a. the actual and direct costs incurred by Caofeidian Shihua in providing the crude oil jetty services;

b. the prevailing market price charged by any third party providing the same or similar services in the vicinity; and

c. the fees charged by Caofeidian Shihua for providing the same services to any third party, or (if not available) the fees charged by Caofeidian Shihua for providing similar services to any third party.

In any event, the final market price determined shall be (A) no less than the actual and direct costs incurred by Caofeidian Shihua in providing the crude oil jetty services; and (B) no less than the prevailing market price charged by any third party providing the same or similar services in the vicinity, or, if applicable, no less than the fees charged by Caofeidian Shihua for providing the same or similar services to any third party.

Primary basis for price determination: For the crude oil unloading services provided by Caofeidian Shihua, there are no applicable State-prescribed or government-approved prices, the service fees are determined after arm's length negotiations with reference to the actual and direct costs incurred by Caofeidian Shihua in providing such services, plus an appropriate gross profit margin. In determining the appropriate gross profit margin, Caofeidian Shihua takes into account (i) the gross profit margins publicly disclosed by comparable listed companies engaged in similar businesses in the market over the past three years; and (ii) the average gross profit margin levels of its own crude oil unloading business for the same period, to ensure that the resulting rate reflects prevailing industry norms and remains on normal commercial terms. The average gross profit margin of Caofeidian Shihua's crude oil unloading business for 2023, 2024 and the first half of 2025 was approximately 59.99%, 49.08% and 56.54% respectively, which is not less favourable than the overall gross profit margins of the Group (approximately 42.36% in 2023, 48.53% in 2024 and 50.63% in the first half of 2025). Caofeidian Shihua has not provided similar services to independent third-party customers.

The PRC's energy sector is predominantly led by large state-owned enterprises operating in the oil and gas industry, many of which adopt vertically integrated operating models. In practice, crude oil terminals are generally constructed and operated in close proximity to refinery clusters and are supported by dedicated pipeline infrastructure that connects directly to affiliated refining facilities. Given the substantial transportation costs and logistical inefficiencies associated with overland crude oil transmission, refinery operators typically source crude oil through nearby terminal facilities within established regional logistics networks. As a result, demand for crude oil jetty and storage services is largely driven by geographical location, infrastructure connectivity and regional refining capacity. In a particular region, the number of economically viable terminal operators and refinery customers is therefore inherently limited due to infrastructure requirements, capital intensity and geographical constraints. Within this industry structure, terminal operators often serve designated refinery customers under long-term operational arrangements formed on the basis of logistics integration and commercial necessity.

Caofeidian Shihua currently operates the only crude oil terminal facility in the Caofeidian region and the likelihood of substitution by other crude oil terminals in the region is considered low. Since its establishment, Caofeidian Shihua has provided crude oil unloading services to refineries in North China under the Sinopec Group and has developed a long-standing business relationship with such refineries. Taking into account the infrastructure-based characteristics of the crude oil terminal industry, including the integration of dedicated pipeline facilities and the high entry barriers associated with terminal construction and logistics arrangements, the Board considers that Caofeidian Shihua and the relevant refinery customers under the Sinopec Group have established a commercially stable and operationally integrated business relationship. Although Caofeidian Shihua has not historically provided similar services to independent third parties, the Board is of the view that the interdependence between the Group and the Sinopec Group and its subsidiaries, and the existing cooperation arrangements, are long-term in nature and are not expected to experience material adverse impact to the Company in the foreseeable future.

The Board acknowledges that, given the above industry structure, geographical positioning and historical business arrangements, a significant portion of the revenue generated under the Crude Oil Jetty Services Framework Agreements is attributable to members of the Sinopec Group. Accordingly, the Board considers that the Group has a certain degree of mutual reliance on the Sinopec Group in respect of its crude oil jetty services business. Such reliance primarily reflects the structural characteristics of the industry and established logistics arrangements.

Notwithstanding the above, the Group has been proactively implementing measures to broaden its customer base and reduce concentration risk. From the perspective of the Group as a whole, the Group has actively expanded its business with independent third-party customers. In particular, Huade Petrochemical, a wholly-owned subsidiary of the Company, has introduced new independent customers and expanded into new service segments. In September 2025, Huade Petrochemical entered into a supplemental agreement with an existing independent third-party customer in connection with the construction of that customer's new production facilities, which is expected to strengthen cooperation and enhance revenue contribution. In addition, Huade Petrochemical commenced cooperation with a new independent third-party customer in relation to naphtha unloading services, which began trial operation and completed approximately 284,400 tonnes of unloading for such customer in the first half of 2025, with further increase in volume expected upon formal operation in 2026. The unloading volume contributed by independent third-party customers under Huade Petrochemical's crude oil terminal services reached a historical high in 2025, reflecting the Group's ongoing efforts in diversifying its customer portfolio. Furthermore, pursuant to the Hebei Province's "15th Five-Year Plan", the construction of crude oil storage bases has been identified as a key development initiative. As Caofeidian Shihua currently operates the only crude oil terminal facility in the Caofeidian region, potential demand from independent third-party customers is expected to increase following completion of the local crude oil storage base.

Having considered the industry characteristics, the operational and infrastructure integration of Caofeidian Shihua, the long-established commercial relationship between the parties and the Group's ongoing diversification efforts, the Board is of the view that, while a certain degree of mutual reliance exists in respect of the Group's crude oil jetty services business, such reliance does not, in and of itself, give rise to a material adverse impact on the Group's business operations, financial position or operational independence. The Board further considers that concentration risk is expected to be progressively mitigated as the Group continues to diversify its customer base and develop new business opportunities.

Historical transaction amounts

The following table sets out the historical transaction amounts received by Caofeidian Shihua in respect of the provision of crude oil jetty services to relevant members of the Sinopec Group for each of the three financial years ended 31 December 2025, based on unaudited management accounts:

	For the year ended		
	31 December 2023	**31 December 2024**	**31 December 2025**
	(approx. RMB (approx. HK$))		
Transaction amounts received by Caofeidian Shihua	RMB133,350,000 (HK$149,885,000)	RMB123,637,000 (HK$138,967,000)	RMB119,078,000 (HK$133,843,000)

Annual caps

The following table sets out the proposed annual caps of the transaction amounts estimated to be received by Caofeidian Shihua under the Crude Oil Jetty Services Framework Agreements for each of the three years ending 31 December 2026, 31 December 2027 and 31 December 2028:

	For the year ending		
	31 December 2026	**31 December 2027**	**31 December 2028**
	(approx. RMB (approx. HK$))		
Annual caps	RMB155,000,000 (HK$174,220,000)	RMB155,000,000 (HK$174,220,000)	RMB155,000,000 (HK$174,220,000)

In arriving at the above annual caps, the Directors have taken into account, among other things: (i) the historical transaction amounts in respect of the provision of crude oil jetty services by Caofeidian Shihua to the relevant members of Sinopec Group; (ii) the pricing of RMB10.35 per ton charged by Caofeidian Shihua for providing crude oil unloading service as determined on arm's length basis; (iii) the expected demand for crude oil jetty services of not more than 15 million tonnes arising from the crude oil import and logistics arrangements of the relevant members of Sinopec Group, taking into account the existing throughput volume and operational capacity of the crude oil terminal operated by Caofeidian Shihua, and considering the future completion of the

local crude oil storage base in Caofeidian; and (iv) the need to maintain an appropriate buffer to cater for potential fluctuations in throughput volume and operational requirements during the term of the Crude Oil Jetty Services Framework Agreements.

The payment terms of the transactions contemplated under the Crude Oil Jetty Services Framework Agreements will be determined by the parties on a transaction-by-transaction basis, in accordance with market norms and on normal commercial terms, with reference to the applicable pricing policies and mechanisms set out in the relevant Crude Oil Jetty Services Framework Agreements. The service fees shall be settled on a per-shipment basis. In general, Caofeidian Shihua will issue an invoice and payment notice to the relevant customer upon completion of the services, and the customer will settle the invoiced amount within 10 working days after receipt of the relevant payment notice.

Caofeidian Shihua has not historically provided crude oil jetty services to independent third parties. In assessing the payment terms, reference has been made to jetty service agreements entered into between the Group and independent third parties in 2025 (the "**Comparable Transactions**"). The payment terms under the Crude Oil Jetty Services Framework Agreements are substantially consistent with, and no less favourable to the Group than, those under the Comparable Transactions. Furthermore, the settlement period of within 10 working days after receipt of the relevant payment notice is more stringent than the payment terms applicable to the independent third parties under the Comparable Transactions, therefore Caofeidian Shihua does not provide more favourable credit terms to the connected persons. Having regard to the nature of crude oil jetty services and the operational settlement cycle of refinery customers, the Board considers that a settlement period of within 10 working days is commercially reasonable and Caofeidian Shihua does not provide more favourable terms to the other parties of Crude Oil Jetty Services Framework Agreements.

Reasons and benefits of the transactions

Caofeidian Shihua operates a crude oil terminal and related facilities located in Caofeidian, Tangshan, the PRC, which serve as an important logistics node for the import, unloading and handling of crude oil by certain members of Sinopec Group. The crude oil terminal and ancillary facilities of Caofeidian Shihua are geographically proximate to the operational areas of such members of Sinopec Group, and the crude oil import, unloading and logistics arrangements of those members of Sinopec Group are closely aligned and coordinated from time to time. Accordingly, Caofeidian Shihua has been providing crude oil jetty unloading, berthing and related services to certain members of Sinopec Group on a recurring basis in the ordinary and usual course of its business, with such members of Sinopec Group constituting major customers of Caofeidian Shihua for crude oil jetty services.

The entering into of the Crude Oil Jetty Services Framework Agreements enable the Group to continue capturing stable business opportunities arising from the crude oil import and logistics activities of certain members of Sinopec Group, enhance the utilisation efficiency of the crude oil terminal and related facilities operated by Caofeidian Shihua, and generate stable operating income for the Group.

Internal control measures for the transactions

To ensure that the continuing connected transactions contemplated under the Crude Oil Jetty Services Framework Agreements and the Financial Services Agreement are conducted on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole, the Company has adopted the following internal control measures:

(i) **Established connected transaction management system:** The Company has formulated and implemented internal policies and procedures governing connected transactions, including the Listing Affairs Management System of Sinopec Kantons Holdings Limited and the Management Measures of Connected Transactions of Sinopec Kantons Holdings Limited, pursuant to which the Company conducts regular assessment of connected transactions and the effectiveness of the related internal control systems, so as to ensure that connected transactions are conducted on a regulated basis under fair and reasonable pricing principles and transaction methods.

(ii) **Ongoing monitoring of connected transactions:** The risk control department and the finance department of the Company conduct regular monitoring, including monthly review, of the types and transaction amounts of connected transactions to ensure consistency between the actual transactions and the relevant agreements. A transaction cap alert mechanism, which is generally set at approximately 80% of the applicable annual cap, is implemented to mitigate the risk of exceeding the approved annual caps.

(iii) **Management and Audit Committee oversight:** Relevant personnel of the Company report regularly to the audit committee of the Board on the implementation of connected transactions. Connected transactions are included within the scope of the Company's annual internal control assessment conducted by the risk control department and are covered in the risk management and internal control reports submitted to the audit committee, which conducts an annual review of the Company's risk management and internal control systems.

(iv) **Annual review by independent non-executive Directors:** The independent non-executive Directors of the Company conduct an annual review of the continuing connected transaction agreements and the transactions thereunder and confirm whether such transactions have been conducted (a) in the ordinary and usual course of business of the Group; (b) on normal or better commercial terms; and (c) in accordance with the terms of the relevant agreements which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(v) **Annual review by the auditors:** The auditors of the Company will conduct an annual review of the continuing connected transactions in accordance with the requirements of the Listing Rules and will provide a letter to the Board confirming that nothing has come to their attention that causes them

to believe that such transactions (a) have not been approved by the Board; (b) were not, in all material respects, in accordance with the pricing policies set out in the relevant agreements; (c) were not carried out, in all material respects, in accordance with the terms of the relevant agreements; and (d) have exceeded the applicable annual caps.

B. FINANCIAL SERVICES AGREEMENT

Date

12 February 2026

Parties

(i) Caofeidian Shihua; and

(ii) Sinopec Finance Tianjin Branch

Sinopec Finance Tianjin Branch is a branch company of Sinopec Finance, which is owned as to 51% by Sinopec Group Company and 49% by Sinopec Corp. As Sinopec Group Company is the holding company of Sinopec Corp., which indirectly wholly owns SKI, the controlling Shareholder, Sinopec Finance Tianjin Branch is therefore an associate of SKI and hence a connected person of the Company under Chapter 14A of the Listing Rules.

Term

The agreement shall become effective upon being approved by the Independent Shareholders at the SGM and shall remain in force until 31 December 2028.

Nature of transactions

Pursuant to the Financial Services Agreement, Sinopec Finance Tianjin Branch shall provide financial services to Caofeidian Shihua, including loan services, deposit services, entrusted loan services, bill acceptance and discount services, and transfer settlement and relevant settlement services, and other financial services as requested or instructed by Caofeidian Shihua, provided that the provision of the relevant services by Sinopec Finance Tianjin Branch has been approved by the NFRA and is within the business scope of Sinopec Finance Tianjin Branch as registered with the relevant Administration for Market Regulation.

Caofeidian Shihua shall from time to time enter into definitive agreements with Sinopec Finance Tianjin Branch with respect to the above services, for which the parties shall negotiate with reference to, among other factors, laws and regulations, market conditions, normal commercial terms, trade customs and the principle of fairness.

Pricing

Sinopec Finance Tianjin Branch shall comply with the following principles when providing the aforementioned financial services to Caofeidian Shihua:

(i) loan services: Sinopec Finance Tianjin Branch shall provide loan services to Caofeidian Shihua, and the interest rates for such loans shall be determined with reference to the relevant lending rate standards promulgated by the PBOC from time to time. Subject to compliance with applicable laws and regulations, such lending rates may be adjusted downward by a certain percentage, but shall not be higher than the interest rates applicable to the same type of loan services offered by independent commercial banks to other members of the Sinopec Group. In determining the specific percentage of any downward adjustment to the applicable benchmark lending rate promulgated by the PBOC, Sinopec Finance Tianjin Branch will take into account a number of commercial factors, including, among others, the loan amount, term and nature of the facility, and the prevailing market interest rate environment at the time of the loan. The finance department of the Company will, prior to Caofeidian Shihua accepting any loan offer from Sinopec Finance Tianjin Branch, review the proposed lending rate against contemporaneous quotes from at least two independent commercial banks for similar facilities to ensure that the rate offered is fair and reasonable and not higher than the rate applicable to loans of a similar nature and term offered by such independent banks to other members of the Sinopec Group;

(ii) deposit services: when Sinopec Finance Tianjin Branch provides deposit services to Caofeidian Shihua, the deposit interest rates shall be determined with reference to the relevant deposit interest rate standards promulgated by the PBOC from time to time, but shall not be lower than the interest rates applicable to the same type of deposit services offered by independent commercial banks to other members of the Sinopec Group. In determining whether to accept the deposit service offered by Sinopec Finance Tianjin Branch, the finance department of the Company conducts regular market comparisons by obtaining contemporaneous quotations from at least two independent commercial banks for deposits of similar nature, amount and term;

(iii) entrusted loan services: when Sinopec Finance Tianjin Branch provides entrusted loan services to Caofeidian Shihua, it shall charge an entrusted loan handling fee calculated based on the outstanding principal balance of the loan, which shall not be higher than the fees applicable to the same type of services offered by at least two independent commercial banks;

(iv) bill acceptance and discount services: when Sinopec Finance Tianjin Branch provides bill acceptance and bill discount services to Caofeidian Shihua, the discount rates shall be determined with reference to the rediscount rate prescribed by the PBOC, with a spread determined in accordance with

market conditions, but shall not be higher than the interest rates applicable to the same type of loan services offered by at least two independent commercial banks to other members of the Sinopec Group; and

(v) transfer settlement and relevant settlement services: Sinopec Finance Tianjin Branch shall handle the accounts opened by Caofeidian Shihua with Sinopec Finance Tianjin Branch and the settlement business conducted with members of the Sinopec Group without charging Caofeidian Shihua any service fees. Nevertheless, if independent commercial banks charge Sinopec Finance Tianjin Branch service fees for transfer and settlement services in the future, Sinopec Finance Tianjin Branch may charge Caofeidian Shihua service fees of the same amount for such services.

Historical transaction amounts – Deposit services

The following table sets out the maximum outstanding balance at any time (including any interest accrued therefrom) for the deposits placed by Caofeidian Shihua with Sinopec Finance Tianjin Branch for each of the three years ended 31 December 2023, 31 December 2024 and 31 December 2025, based on unaudited management accounts:

	For the year ended		
	31 December 2023	**31 December 2024**	**31 December 2025**
	(approx. RMB (approx. HK$))		
Maximum outstanding balance (including any interest accrued therefrom)	–	–	RMB130,330,000 (HK$146,490,000)

Annual caps – Deposit services

The following table sets out the annual caps in respect of the maximum outstanding balance at any time (including any interest accrued therefrom) for the deposits estimated to be placed by Caofeidian Shihua with Sinopec Finance Tianjin Branch under the Financial Services Agreement for each of the three years ending 31 December 2026, 31 December 2027 and 31 December 2028:

	For the year ending		
	31 December 2026	**31 December 2027**	**31 December 2028**
	(approx. RMB (approx. HK$))		
Annual caps	RMB150,000,000 (HK$168,600,000)	RMB150,000,000 (HK$168,600,000)	RMB150,000,000 (HK$168,600,000)

In arriving at the aforesaid annual caps, the following factors have been taken into account: (i) Caofeidian Shihua has started placing deposits with Sinopec Finance Tianjin Branch from 2025 in the ordinary and usual course of business, and proposed

annual caps have taken into account the historical scale of such deposit activities. (ii) The cash and cash equivalents of Caofeidian Shihua amounted to approximately RMB150.8 million, RMB175.2 million and RMB215.5 million as at 31 December 2023, 31 December 2024, and 31 December 2025, respectively. (iii) In order to enhance centralised fund management and improve the efficiency of fund utilisation, the Sinopec Group (including the Group) intends to continue to utilise the centralised fund management platform facilitated by Sinopec Finance Tianjin Branch, which allows members of the Sinopec Group (including the Group) to optimise internal fund allocation and liquidity management. (iv) Sinopec Finance Tianjin Branch is subject to the supervision of the NFRA and has maintained sound operational and financial conditions, robust internal controls and well-regulated management. The settlement and fund management systems of Sinopec Finance Tianjin Branch meet the safety standards applicable to domestic commercial banks in the PRC. (v) Deposits placed by Caofeidian Shihua with Sinopec Finance Tianjin Branch are expected to generate interest income at rates no less favourable than those offered by independent commercial banks in the PRC for comparable deposit services. (vi) In respect of the funds settlement services provided by Sinopec Finance Tianjin Branch, no service fees will be charged to Caofeidian Shihua, unless such fees are charged by independent commercial banks to Sinopec Finance Tianjin Branch, in which case Sinopec Finance Tianjin Branch will charge Caofeidian Shihua the same amount accordingly.

Loan services and bill acceptance and discount services

In view that the loan services and bill acceptance and discount services to be provided by Sinopec Finance Tianjin Branch to Caofeidian Shihua will be on normal commercial terms or better than those offered by Independent Third Parties for comparable services in the PRC, and will not be secured by the assets of Caofeidian Shihua, such services, which also constitute financial assistance received by the Group, are fully exempt from all reporting, annual review, announcement and Independent Shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rules. As such, no annual caps have been set for such services.

Entrusted loan services and other financial services

The entrusted loan services and other financial services which may be provided by Sinopec Finance Tianjin Branch to Caofeidian Shihua will be on normal commercial terms and on terms similar to or better than those offered by Independent Third Parties for comparable services in the PRC. As all of the relevant percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the total fees payable by Caofeidian Shihua to Sinopec Finance Tianjin Branch for such entrusted loan services and other financial services on an annual basis are expected to be below the de minimis threshold prescribed under Rule 14A.76(1)(a) of the Listing Rules, such transactions are fully exempt from all reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company will comply with the relevant requirements of the Listing Rules if and when the relevant percentage ratios exceed the applicable thresholds.

Reasons and benefits of the transactions

The Financial Services Agreement was entered into on the following basis:

(i) the interest rates and fees applicable to the financial services to be provided by Sinopec Finance Tianjin Branch to Caofeidian Shihua, including loan services and deposit services, will be no less favourable than those offered by independent commercial banks in the PRC for comparable services;

(ii) Sinopec Finance and Sinopec Finance Tianjin Branch are subject to the supervision of the NFRA and will provide the relevant financial services in accordance with the applicable laws, regulations and regulatory requirements;

(iii) Sinopec Finance Tianjin Branch is familiar with the operational characteristics and funding requirements of Caofeidian Shihua. As both parties are members of the Sinopec Group, Sinopec Finance Tianjin Branch is able to provide timely, flexible and cost-effective financial services that better align with the operational needs of Caofeidian Shihua;

(iv) the provision of financial services by Sinopec Finance Tianjin Branch facilitates the centralised management and settlement of funds among members of the Sinopec Group (including the Group), enhances the efficiency of fund utilisation and strengthens the Group's capital management and internal control;

(v) the arrangements are expected to reduce the time required for fund transfers, accelerate cash flow turnover and lower transaction and settlement costs, thereby improving the overall efficiency of capital utilisation;

(vi) the financial services to be provided by Sinopec Finance Tianjin Branch are consistent with market practices and will be conducted on normal commercial terms, and are in the interests of the Company and the Shareholders as a whole;

(vii) pursuant to the applicable regulatory requirements of the NFRA, the customers of Sinopec Finance Tianjin Branch are limited to members of the Sinopec Group and their subsidiaries (including the Group), which reduces the credit and operational risks that may otherwise arise from dealings with unrelated third parties; and

(viii) Sinopec Finance Tianjin Branch undertakes to provide the relevant financial services, including repayment of deposits (together with accrued interest) and the provision of loan or entrusted loan services, in a timely manner in accordance with the terms of the relevant service agreements.

The Group and Sinopec Finance Tianjin Branch have adopted internal control measures to manage and mitigate the risks associated with the financial services arrangements.

Internal control measures for the transactions – Sinopec Finance Tianjin Branch

(i) in accordance with the applicable PRC laws and regulations, Sinopec Finance Tianjin Branch will ensure the safe and stable operation of its fund management information system. Such system has undergone relevant security testing in respect of its connection with online commercial banking platforms and meets the applicable national security standards for commercial banks;

(ii) Sinopec Finance and Sinopec Finance Tianjin Branch are subject to the supervision of the NFRA and are required to comply with the applicable regulatory requirements and risk monitoring indicators for financial institutions. In particular, Sinopec Finance Tianjin Branch is required to comply with the Measures for the Administration of Finance Companies of Enterprise Groups (the "**Measures**") (《企業集團財務公司管理辦法》) as amended from time to time, including requirements relating to risk management, internal control and prudential operation;

(iii) Sinopec Group Company has undertaken to the NFRA to provide capital support to Sinopec Finance as and when required in the event that Sinopec Finance encounters liquidity or payment difficulties;

(iv) in accordance with the applicable PRC laws and regulations, Sinopec Finance Tianjin Branch will permit Caofeidian Shihua to monitor the status of its deposits placed with Sinopec Finance Tianjin Branch, enabling Caofeidian Shihua to ensure that the maximum outstanding balance at any time (including any interest accrued therefrom) does not exceed the relevant annual cap;

(v) in the event of any material breach of applicable laws or regulations, Sinopec Finance Tianjin Branch shall notify Caofeidian Shihua in a timely manner and discuss the appropriate rectification and risk mitigation measures; and

(vi) Sinopec Finance Tianjin Branch only provides financial services to members of the Sinopec Group and has no record of default in payments to members of the Sinopec Group in the past.

Internal control measures for the transactions – the Group

(i) **Credit risk assessment prior to entering into deposit services:** Given that Sinopec Finance Tianjin Branch is not a public licensed bank, the Group has conducted, and will continue to conduct, structured credit risk assessments prior to placing any deposits with Sinopec Finance Tianjin Branch. In

particular, the Group has regularly obtained and reviewed the annual reports and other publicly available financial information of Sinopec Finance to understand its financial position, capital adequacy and liquidity levels, and has reviewed and taken into account the Measures promulgated by the Original CBIRC to assess its compliance with the relevant prudential and risk control requirements.

(ii) **Ongoing monitoring of credit risks:** The Group has adopted its Fund Management Policy under which the finance department of the Company is responsible for daily treasury management. Pursuant to such policy, the finance department monitors in real time and analyses the performance and risk profile of all deposit products to ensure the safety of funds and enhance the efficiency of fund utilisation. The finance department also conducts periodic reviews of the creditworthiness of Sinopec Finance Tianjin Branch, taking into account the latest financial statements and regulatory disclosures. The Group has conducted credit risk assessment on Sinopec Finance Tianjin Branch by reviewing publicly available financial information of Sinopec Finance, its parent company. Based on the latest available annual report of Sinopec Finance, for the year ended 31 December 2024, Sinopec Finance recorded total profit of approximately RMB2,859.91 million, with a return on equity of approximately 6.37%. As at the end of 2024, Sinopec Finance maintained a liquidity ratio of approximately 60.41%, a capital adequacy ratio of approximately 16.75% and a non-performing loan ratio of approximately 0.08%. The Group considers that Sinopec Finance maintains a sound asset-liability structure, adequate capital base and stable financial position. Based on the above assessment, the Company considers that Sinopec Finance Tianjin Branch possesses strong financial stability and low credit risk and is capable of performing its obligations under the Financial Services Agreement.

In addition to the above, the Group has considered a number of qualitative factors in assessing the credit risk of Sinopec Finance Tianjin Branch, including its regulatory oversight, risk management framework, historical operational track record and its role within the overall financial management structure of the Sinopec Group. Sinopec Finance and its branches are subject to regulatory supervision and prudential requirements applicable to finance companies in the PRC, and operate within an established internal control and risk management framework. The Group has also taken into account the historical performance of Sinopec Finance Tianjin Branch in providing financial services to members of the Sinopec Group, including the absence of any material default or payment irregularities in the past, as well as its function in facilitating centralised fund management within the Sinopec Group.

Taking into consideration both quantitative and qualitative factors, the Board is of the view that the credit risk associated with Sinopec Finance Tianjin Branch is manageable and remains within the Group's acceptable risk tolerance.

(iii) **Financial capacity of Sinopec Group Company:** The Group has also considered the financial resources and standing of Sinopec Group Company, being the wholly-owned controlling shareholder of Sinopec Finance, and is satisfied that it possesses sufficient financial capacity to perform its commitment to the NFRA and to provide support to Sinopec Finance in the event of any liquidity stress.

(iv) **Effective connected transaction management system:** The Company has established and strictly implemented internal policies and procedures, including the Listing Affairs Management System of Sinopec Kantons Holdings Limited and the Management Measures of Connected Transactions of Sinopec Kantons Holdings Limited, to govern the identification, approval, monitoring and reporting of connected transactions. Such systems enable the Company to conduct regular assessments on connected transactions and the effectiveness of the relevant internal control systems, thereby ensuring that connected transactions are conducted in accordance with fair and reasonable pricing principles, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

(v) **Daily management and monitoring of connected transactions:** The risk control department and finance department of the Company conduct monthly reviews on the types and transaction amounts of connected transactions to ensure consistency between the transactions recorded and those actually carried out. In addition, a transaction cap monitoring mechanism is implemented, under which an alert is generally triggered when the transaction amount reaches approximately 80% of the relevant annual cap, so as to mitigate the risk of exceeding the applicable annual caps.

(vi) **Non-exclusivity of financial services:** Caofeidian Shihua is not precluded from obtaining similar financial services from other independent financial institutions, and the transactions contemplated under the Financial Services Agreement do not restrict the Group's ability to select financial service providers based on its operational and funding needs.

(vii) **Oversight by management and the Audit Committee:** Relevant personnel of the Company report regularly to the Audit Committee of the Board on the implementation of connected transactions. Connected transactions are included within the scope of the Company's annual internal control assessment and are covered in the risk management and internal control reports prepared by the risk control department for review by the Audit Committee, which also conducts an annual review of the Company's risk management and internal control systems.

(viii) **Annual review by independent non-executive Directors:** The independent non-executive Directors conduct an annual review of the continuing connected transaction agreements and the transactions contemplated thereunder, and confirm that such transactions have been entered into (a) in the ordinary and usual course of business of the Group; (b) on normal or

better commercial terms; and (c) in accordance with the terms of the relevant agreements, which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(ix) **Annual review by the Auditor:** The Auditor of the Company will conduct an annual review of the continuing connected transactions and provide a confirmation to the Board in accordance with the requirements of the Listing Rules as to whether anything has come to its attention that causes it to believe that such transactions (a) have not been approved by the Board; (b) were not, in all material respects, in accordance with the pricing policies adopted by the Group; (c) were not carried out, in all material respects, in accordance with the relevant agreements governing such transactions; or (d) have exceeded the applicable annual caps.

The Directors consider that the above internal control measures are adequate and effective to manage and control the risks associated with the continuing connected transactions contemplated under the relevant framework agreements, including the financial services provided by Sinopec Finance Tianjin Branch.

C. LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, Sinopec Group Company is the controlling shareholder of Sinopec Corp., which indirectly holds the entire issued share capital of SKI. Sinopec Group Company is therefore an indirect controlling Shareholder of the Company and holds approximately 60.33% of the issued share capital of the Company.

As each of Sinopec Beijing Yanshan Branch, Sinopec Shijiazhuang Branch and Sinopec Cangzhou Branch is a branch company of Sinopec Corp., each of Sinopec Tianjin and Sinopec Petroleum Marketing Company is a wholly-owned subsidiary of Sinopec Corp., Sinopec Petroleum Reserve Company is a wholly-owned subsidiary of Sinopec Group Company, and Sinopec Finance Tianjin Branch is a branch company of Sinopec Finance which is controlled by Sinopec Group Company, the controlling Shareholder, each of the above parties is an associate of SKI and therefore a connected person of the Company under Chapter 14A of the Listing Rules.

Accordingly, the transactions contemplated under each of the Crude Oil Jetty Services Framework Agreements and the Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Crude Oil Jetty Services Framework Agreements

Pursuant to Rule 14A.81 of the Listing Rules, if a series of connected transactions are all entered into or completed within a same 12-month period or are otherwise related with each other, such transactions shall be calculated on an aggregate basis and treated as a single transaction. Having considered the transactions of the same nature between the Company and its subsidiaries and Sinopec Group Company and its associates which were entered into within the past 12 months, as one or more of the applicable percentage ratios calculated on an aggregated basis (as defined under Rule

14.07 of the Listing Rules) in respect of the proposed annual caps for the transactions contemplated under the Crude Oil Jetty Services Framework Agreements exceed 5%, such transactions are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company will disclose the relevant details in its next published annual report in accordance with Rule 14A.49 of the Listing Rules.

Financial Services Agreement

In respect of the transactions contemplated under the Financial Services Agreement:

(i) Deposit services to be provided by Sinopec Finance Tianjin Branch to Caofeidian Shihua thereunder also constitute financial assistance to be provided by the Group to a connected person under Rule 14.04(1)(e) of the Listing Rules. As one or more of the applicable percentage ratios calculated on an aggregated basis (as defined under Rule 14.07 of the Listing Rules) in respect of the maximum outstanding balance of deposits on an annual basis exceed 5% but are all below 25%, such transactions also constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirement;

(ii) in view that the loan services and bill acceptance and discount services to be provided by Sinopec Finance Tianjin Branch to Caofeidian Shihua will be on normal commercial terms or better than those offered by Independent Third Parties for comparable services in the PRC, and will not be secured by the assets of the Group, such services, which also constitute financial assistance received by the Group, are fully exempt under Rule 14A.90 of the Listing Rules from reporting, annual review, announcement and Independent Shareholders' approval requirements. As such, no annual caps have been set for such services; and

(iii) in view that the entrustment loans and other financial services to be provided by Sinopec Finance Tianjin Branch to Caofeidian Shihua will be on normal commercial terms and on terms similar to or more favourable than those offered by Independent Third Parties for comparable services in the PRC, and that all of the applicable percentage ratios calculated on an aggregated basis (as defined under Rule 14.07 of the Listing Rules) in respect of the total fees payable for such services on an annual basis fall within the de minimis threshold of 0.1% as stipulated under Rule 14A.76(1)(a) of the Listing Rules, such transactions are fully exempt from all reporting, annual review, announcement and Independent Shareholders' approval requirements. The Company will comply with the relevant requirements of the Listing Rules if and when such applicable percentage ratios exceed the relevant threshold.

In addition, as certain executive Directors, including Mr. Zhong Fuliang, Mr. Yang Yanfei, Mr. Ren Jiajun, Mr. Zou Wenzhi and Mr. Mo Zhenglin, are considered to have a material interest in the transactions contemplated under the (i) the Crude Oil Jetty Services Framework Agreements and (ii) the Financial Services Agreement due to their other executive posts within the Sinopec Group, they have abstained from voting on the board resolutions to approve such agreements.

D. INFORMATION ON THE PARTIES TO THE CRUDE OIL JETTY SERVICES FRAMEWORK AGREEMENTS AND THE FINANCIAL SERVICES AGREEMENT

Caofeidian Shihua was established as a limited liability company in the PRC on 22 April 2011. As at the Latest Practicable Date, Caofeidian Shihua is held as to 90% by Sinomart Development and 10% by Caofeidian Port Group, respectively. As a result of the Consolidation, Caofeidian Shihua has become a subsidiary of the Company. Caofeidian Shihua is principally engaged in the loading and unloading of crude oil and jetty services. It currently operates a 300,000-ton crude oil terminal and its ancillary facilities located in Caofeidian, Tangshan, the PRC, which were constructed by Sinopec Corp. in 2008. The total approved annual design handling capacity of the terminal is 20 million tonnes of crude oil, as approved by the National Development and Reform Commission of the PRC.

Sinopec Beijing Yanshan Branch, Sinopec Shijiazhuang Branch and Sinopec Cangzhou Branch are branch companies of Sinopec Corp. incorporated under the laws of the PRC, while Sinopec Tianjin is a wholly-owned subsidiary of Sinopec Corp. Sinopec Corp. is a joint stock limited liability company incorporated in the PRC, the shares of which are listed on the Stock Exchange and the Shanghai Stock Exchange. Each of Sinopec Beijing Yanshan Branch, Sinopec Shijiazhuang Branch, Sinopec Cangzhou Branch and Sinopec Tianjin is principally engaged in oil refining and related petrochemical production activities.

Sinopec Petroleum Reserve Company is a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of Sinopec Group Company, which is principally engaged in the sale and storage of crude oil, the import and export of petrochemical products and the construction of oil reserve facilities.

Sinopec Petroleum Marketing Company is a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of Sinopec Corp., which is principally engaged in the wholesale of crude oil and the storage and distribution of crude oil, petroleum, natural gas and other oil products.

Sinopec Finance Tianjin Branch is a branch company of Sinopec Finance, a non-banking financial institution incorporated in the PRC and owned as to 51% by Sinopec Group Company and 49% by Sinopec Corp. Sinopec Finance and Sinopec Finance Tianjin Branch are regulated by the National Financial Regulatory Administration of the PRC and are principally engaged in the provision of financial services, including deposit services, loan services, bill acceptance and discount services, entrusted loan services and settlement-related services, in accordance with the applicable laws, regulations and regulatory requirements.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the above parties (other than members of the Group) is an associate of the controlling Shareholder and a connected person of the Company under Chapter 14A of the Listing Rules.

III. THE SGM

The SGM will be held at Salon Rooms II-III, 5/F., Harbour Grand Hong Kong, 23 Oil Street, North Point, Hong Kong at 2:30 p.m. on 30 March 2026, Monday, to consider, and if thought fit, approve for (i) the Crude Oil Jetty Services Framework Agreements and (ii) the Financial Services Agreement, and the transactions contemplated thereunder (including the annual caps thereunder). The resolutions proposed at the SGM will be voted on by way of poll at the SGM. An announcement on the poll results will be made by the Company after the SGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A notice convening the SGM is set out on pages 55 to 57 of this circular. Whether or not you are able to attend the SGM, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the SGM or any adjournment thereof (as the case may be). Completion and return of a proxy form will not preclude you from attending and voting at the SGM or any adjournment thereof if you so wish.

The Company has established the Independent Board Committee comprising the four independent non-executive Directors, namely Mr. Fong Chung, Mark, Dr. Wong Yau Kar, David, Ms. Wong Pui Sze, Priscilla and Mr. Ye, James Zheng to consider and advise the Independent Shareholders on the Crude Oil Jetty Services Framework Agreements, the Financial Services Agreement and the transactions contemplated thereunder (including the annual caps thereunder). The Company has appointed Maxa Capital Limited as the Independent Financial Adviser to advise and make recommendations to the Independent Board Committee and the Independent Shareholders in this regard.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save for SKI (which held 1,500,000,000 Shares in aggregate, representing approximately 60.33% of the total number of issued Shares as at the Latest Practicable Date), which is considered to have a material interest in the transactions contemplated under the (i) the Crude Oil Jetty Services Framework Agreements and (ii) the Financial Services Agreement and will abstain from voting on the resolution(s) in respect of (i) the Crude Oil Jetty Services Framework Agreements and (ii) the Financial Services Agreement, and the transactions contemplated thereunder (including the annual caps thereunder) at the SGM, none of the other Shareholders will be required to abstain from voting on the resolutions to be proposed at the SGM.

IV. CLOSURE OF REGISTER OF MEMBERS AND THE RECORD DATE

The register of members of the Company will be closed from 25 March 2026, Wednesday to 30 March 2026, Monday (both days inclusive) during which period no transfer of Shares will be registered. In order to qualify for attending the SGM and casting votes at the meeting, all Share transfers, accompanied by the relevant share certificates, must be lodged with Tricor Investor Services Limited, the branch share registrar of the Company, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:00 p.m. on 24 March 2026, Tuesday. Shareholders whose names are recorded in the register of members of the Company as of 30 March 2026 shall be entitled to attend the SGM.

V. RECOMMENDATION

The Directors (excluding the Directors who have abstained from voting but including the independent non-executive Directors, whose opinion, after taking into account the advice of the Independent Financial Adviser, is included in the section headed "Letter from the Independent Board Committee" in this circular) are of the view that the Crude Oil Jetty Services Framework Agreements and the Financial Services Agreement are on normal commercial terms and are entered into in the ordinary and usual course of business of the Group on arm's length basis, the terms of which are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account the factors stated in this circular.

Accordingly, the Directors (including the independent non-executive Directors) recommend the Shareholders to vote in favour of the resolution(s) to be proposed at the SGM to approve (i) the Crude Oil Jetty Services Framework Agreements and (ii) the Financial Services Agreement, and the transactions contemplated thereunder (including the annual caps thereunder). Your attention is drawn to the recommendation of the Independent Board Committee as set out on pages 28 to 29 of this circular and the letter from the Independent Financial Adviser as set out on pages 30 to 49 of this circular.

VI. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
For and on behalf of the Board of
Sinopec Kantons Holdings Limited
Zhong Fuliang
Chairman

The following is the full text of the letter from the Independent Board Committee to the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular, setting out its recommendation to the Independent Shareholders in respect of the (i) the Crude Oil Jetty Services Framework Agreements and (ii) the Financial Services Agreement and the transactions as contemplated thereunder.

中国石化
SINOPEC

SINOPEC KANTONS HOLDINGS LIMITED
(中石化冠德控股有限公司)*
(incorporated in Bermuda with limited liability)
(Stock Code: 934)

10 March 2026

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR
(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE CRUDE OIL JETTY SERVICES FRAMEWORK AGREEMENTS
AND
(2) DISCLOSEABLE AND CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE FINANCIAL SERVICES AGREEMENT

We refer to the circular of the Company dated 10 March 2026 (the "**Circular**") of which this letter forms a part. Terms defined in the Circular shall bear the same meanings herein unless the context otherwise requires.

We have been appointed by the Board as the members of the Independent Board Committee to advise the Independent Shareholders in respect of (i) the Crude Oil Jetty Services Framework Agreements and (ii) the Financial Services Agreement and the transactions contemplated thereunder (including the annual caps thereunder). Maxa Capital Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in these regards.

Having taken into account the advice of the Independent Financial Adviser, we are of the opinion that (i) the Crude Oil Jetty Services Framework Agreements and (ii) the Financial Services Agreement and the transactions contemplated thereunder are entered into in the ordinary and usual course of business of the Group and are on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of

* *For identification purpose only*

the ordinary resolutions to be proposed at the SGM to approve (i) the Crude Oil Jetty Services Framework Agreements and (ii) the Financial Services Agreement and the transactions contemplated thereunder (including the annual caps thereunder).

We also draw the attention of the Independent Shareholders to (i) the letter from the Board, (ii) the letter from the Independent Financial Adviser, and (iii) the additional information set out in the appendix to the Circular.

Yours faithfully,
For and on behalf of the
Independent Board Committee

Mr. Fong Chung, Mark	**Dr. Wong Yau Kar, David**	**Ms. Wong Pui Sze, Priscilla**	**Mr. Ye, James Zheng**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*	*Independent non-executive Director*

The following is the letter of advice from Maxa Capital Limited, the Independent Financial Adviser, to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.

邁時資本
MAXA CAPITAL

Unit 2602, 26/F, Golden Centre
188 Des Voeux Road Central
Sheung Wan
Hong Kong

10 March 2026

To the Independent Board Committee and the Independent Shareholders

Dear Sirs or Mesdames,

(I) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE CRUDE OIL JETTY SERVICES FRAMEWORK AGREEMENTS

(II) DISCLOSEABLE AND CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE FINANCIAL SERVICES AGREEMENT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the continuing connected transactions in relation to (i) the crude oil jetty services under the Crude Oil Jetty Services Framework Agreements provided by Caofeidian Shihua; and (ii) the deposit services under the Financial Services Agreement received by Caofeidian Shihua (collectively, the "**Non-Exempt Transactions**") and the proposed annual caps for each of the Non-exempt Transactions for each of the three years ending 31 December 2028 (the "**Proposed Annual Caps**"), details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular dated 10 March 2026 issued by the Company (the "**Circular**") of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

On 12 February 2026, Caofeidian Shihua entered into (i) the Crude Oil Jetty Services Framework Agreements with Sinopec Beijing Yanshan Branch, Sinopec Tianjin, Sinopec Shijiazhuang Branch, Sinopec Cangzhou Branch, Sinopec Petroleum Reserve Company, and Sinopec Petroleum Marketing Company, and (ii) the Financial Services Agreement with Sinopec Finance Tianjin Branch (collectively, the "**Non-Exempt Agreements**").

As at the Latest Practicable Date, Sinopec Group Company is the controlling shareholder of Sinopec Corp., which indirectly holds the entire issued share capital of SKI. Sinopec Group Company is therefore an indirect controlling Shareholder of the Company and holds approximately 60.33% of the issued share capital of the Company.

As each of Sinopec Beijing Yanshan Branch, Sinopec Shijiazhuang Branch and Sinopec Cangzhou Branch is a branch company of Sinopec Corp., each of Sinopec Tianjin and Sinopec Petroleum Marketing Company is a wholly-owned subsidiary of Sinopec Corp., Sinopec Petroleum Reserve Company is a wholly-owned subsidiary of Sinopec Group Company, and Sinopec Finance Tianjin Branch is a branch company of Sinopec Finance which is controlled by Sinopec Group Company, the controlling Shareholder, each of the above parties is an associate of SKI and therefore a connected person of the Company under Chapter 14A of the Listing Rules.

Accordingly, the transactions contemplated under each of the Crude Oil Jetty Services Framework Agreements and the Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of each of the annual caps for the Non-exempt Transactions exceeds 5%, such transactions are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company will convene the SGM to seek Independent Shareholders' approval for the Non-Exempt Transactions (including the Proposed Annual Caps). The Independent Board Committee has been established to advise the Independent Shareholders the Non-Exempt Transactions (including the Proposed Annual Caps). We, Maxa Capital Limited, have been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR INDEPENDENCE

As at the Latest Practicable Date, we did not have any relationship with or interest in the Company, its subsidiaries and any other parties that could reasonably be regarded as relevant to our independence in accordance with Rule 13.84 of the Listing Rules, and accordingly, are eligible to give independent advice and recommendations on the terms of the Non-exempt Transactions and the Proposed Annual Caps.

In the past two years, we have been appointed by the Company as independent financial adviser in respect of renewal of certain continuing connected transactions in relation to crude oil jetty and storage services, fuel oil jetty and storage services and deposit services, details of which were set out in the circular of the Company dated 31 October 2025. The aforesaid previous appointment was limited to providing one-off independent advisory service, for which we received normal professional fees. Accordingly, we do not consider such previous appointment to give rise to any conflict of interest for us in acting as the Independent Financial Adviser in respect of the Non-Exempt Transactions (including the Proposed Annual Caps). Apart from the normal advisory fees payable to us in connection with this appointment, no arrangement exists whereby we shall receive any other fees or benefits from the Company, its subsidiaries, its associates or their respective substantial shareholders or associates.

BASIS OF OUR OPINION

In formulating our advice and recommendations, we have reviewed, among others, (i) the Non-exempt Agreements; (ii) the annual reports of the Company for the two years ended 31 December 2023 (the "**2023 AR**") and 31 December 2024 (the "**2024 AR**"), and the interim report of the Company for the six months ended 30 June 2025 (the "**2025 IR**"); (iii) the basis of calculation of the Proposed Annual Caps; and (iv) the Company's internal control procedures and records in relation to continuing connected transactions.

We consider that we have reviewed sufficient and relevant information and documents and have taken reasonable steps as required under Rule 13.80 of the Listing Rules to reach an informed view and to provide a reasonable basis for our recommendation. We have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors and the Company, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the date of this letter. We have also assumed that all statements of belief, opinion, expectation, and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. Our opinion is based on the Directors' representation and confirmation that no material facts have been omitted from the information provided and referred to in the Circular.

The Company confirmed that it has, at our request, provided us with all currently available information and documents which are available under present circumstances to enable us to reach an informed view and we have relied on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our opinion. We have no reason to suspect that any material facts or information, which is known to the Company, have been omitted or withheld from the information supplied or opinions expressed in the Circular nor do doubt the truth and accuracy of the information and facts, or the reasonableness of the opinions expressed by the Company and the Directors which have been provided to us. We have not, however, conducted any independent verification on the information provided to us by the Directors, nor have we conducted any form of independent in-depth investigation into the business and affairs of the Company, Caofeidian Shihua, Sinopec Beijing Yanshan Branch, Sinopec Tianjin, Sinopec Shijiazhuang Branch, Sinopec Cangzhou Branch, Sinopec Petroleum Reserve Company, Sinopec Petroleum Marketing Company, and Sinopec Finance Tianjin Branch and each of their respective subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Background of the Non-exempt Agreements

1.1 Information of the Group

The Company, a non-wholly owned subsidiary of Sinopec Corp., is an exempted company incorporated in Bermuda with limited liability and the Shares are listed on the Stock Exchange. The principal activities of the Group include, among others, the

operation of crude oil and petroleum products terminals and their ancillary facilities and the provision of logistics services including storage, logistics, transportation and terminal services on a global basis.

Set out below is the summarised financial information of the Group for the three years ended 31 December 2022, 2023 and 2024 ("**FY2022**", "**FY2023**" and "**FY2024**", respectively), and the six months ended 30 June 2024 and 2025 ("**1H2024**" and "**1H2025**", respectively) as extracted from the financial statements prepared in accordance with the Hong Kong Financial Reporting Standards in the 2023 AR, 2024 AR and 2025 IR:

	For the year ended 31 December			For the six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(restated)	(audited)	(audited)	(unaudited)	(unaudited)
Total revenue	616,064	609,872	667,091	331,236	307,475
Profit attributable to equity holders of the Company	434,907	1,298,612	1,177,396	685,367	563,366

The total revenue of the Group was approximately HK$609.9 million for FY2023, representing a decrease of approximately HK$6.2 million or 1.0% as compared to approximately HK$616.1 million for FY2022, whereas the profit attributable to equity holders of the Company was approximately HK$1,298.6 million for FY2023, representing an increase of approximately HK$863.7 million or 198.6% as compared to approximately HK$434.9 million for FY2022. The decrease in the revenue was primarily attributable to the decrease in revenue from provision of crude oil jetty services. The increase in profit attributable to equity holders of the Company was mainly due to the recognition of impairment provision on the non-current assets of PT. West Point Terminal and the Group's share of loss for Vesta Terminals B.V. as a result of Russia-Ukraine conflict in 2022.

The total revenue of the Group was approximately HK$667.1 million for FY2024, representing an increase of approximately HK$57.2 million or 9.4% as compared to approximately HK$609.9 million for FY2023, whereas the profit attributable to equity holders of the Company was approximately HK$1,177.4 million for FY2024, representing a decrease of approximately HK$121.2 million or 9.3% as compared to approximately HK$1,298.6 million for FY2023. The increase in the revenue was primarily attributable to the increase in throughput quantity from the customers in 2024, including a third party customer, making better use of Huade Petrochemical's existing surplus terminal capacity. The decrease in profit attributable to equity holders of the Company was mainly due to a year-on-year decrease in investment returns from the domestic jetty companies attributable to the Group, as well as a year-on-year increase in net exchange losses.

The total revenue of the Group was approximately HK$307.5 million for 1H2025, representing a decrease of approximately HK$23.8 million or 7.2% as compared to approximately HK$331.2 million for 1H2024, whereas the profit attributable to equity holders of the Company was approximately HK$563.4 million for 1H2025, representing a decrease of approximately HK$122.0 million or 17.8% as compared to approximately HK$685.4 million for FY2024. The decrease in the revenue was primarily attributable to the decline in business volume as a result of the downward adjustment of crude oil import plans of Sinopec Corp. Guangzhou Branch. The decrease in profit attributable to equity holders of the Company was mainly due to a year-on-year decline in an investment return resulting from a year-on-year decline in the throughput of domestic crude oil jetty companies.

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(restated)	(audited)	(audited)	(unaudited)
Total assets	15,359,867	16,027,223	16,298,947	17,017,920
Total liabilities	493,336	510,492	379,742	760,534
Net assets	14,866,531	15,516,731	15,919,205	16,257,386
Time deposits with original maturity of more than three months	3,000,000	3,987,998	6,355,558	6,505,531
Cash and cash equivalents	2,490,097	1,837,352	587,573	954,889

The Group's total assets increased gradually from approximately HK$15.4 billion as at 31 December 2022 to approximately HK$17.0 billion as at 30 June 2025. The Group's total liabilities increased from approximately HK$493.3 million as at 31 December 2022 to approximately HK$510.5 million as at 31 December 2023, and decreased to HK$379.7 million as at 31 December 2024, and then increased to approximately HK$760.5 million as at 30 June 2025. The Group's net assets have been increasing gradually from approximately HK$14.9 billion as at 31 December 2022 to approximately HK$16.3 billion as at 30 June 2025. The Group's time deposits with original maturity of more than three months have been increasing substantially from approximately HK$3.0 billion as at 31 December 2022 to approximately HK$6.5 billion as at 30 June 2025. The Group's cash and cash equivalents decreased from approximately HK$2.5 billion as at 31 December 2022 to approximately HK$587.6 million as at 31 December 2024, and then increased to approximately HK$954.9 million as at 30 June 2025.

1.2 Information of Caofeidian Shihua

Caofeidian Shihua was established as a limited liability company in the PRC on 22 April 2011. As at the Latest Practicable Date, Caofeidian Shihua is held as to 90% by Sinomart Development and 10% by Caofeidian Port Group, respectively.

On 3 December 2011, Sinomart Development entered into an equity acquisition agreement in relation to, among others, the acquisition of a 90% equity interest in Caofeidian Shihua from Sinopec Group Company at a consideration of approximately RMB273.31 million, and the acquisition was completed in October 2012. Details of such acquisition are set out in the announcements of the Company dated 3 December 2011 and 2 November 2012, and the circular of the Company dated 14 December 2011. As disclosed in the announcement of the Company dated 12 February 2026, Caofeidian Shihua had historically been treated as a jointly controlled entity and was not consolidated into the consolidated financial statements of the Group. With effect from the effective date of the Exclusive Operation Agreement, Caofeidian Shihua has become a subsidiary of Sinomart Development and its financial results will be consolidated into the consolidated financial statements of the Group.

Caofeidian Shihua is principally engaged in the loading and unloading of crude oil and jetty services. It currently operates a 300,000-ton crude oil terminal and its ancillary facilities located in Caofeidian, Tangshan, the PRC, which were constructed by Sinopec Corp. in 2008. The total approved annual design handling capacity of the terminal is 20 million tonnes of crude oil, as approved by the National Development and Reform Commission of the PRC.

As at 31 December 2025, the unaudited total assets of Caofeidian Shihua amounted to RMB432 million and its unaudited net assets amounted to RMB429 million.

The financial information of Caofeidian Shihua for the three financial years ended 31 December 2025 is set out below:

	For the year ended 31 December 2023 *RMB million* (audited)	**For the year ended 31 December 2024** *RMB million* (audited)	**For the year ended 31 December 2025** *RMB million* (unaudited)
Revenue	140.87	130.55	125.66
Profit before taxation	70.61	50.59	57.40
Profit after taxation	52.87	37.85	42.95

1.3 Information of other parties involved in the Non-Exempt Agreements

Sinopec Beijing Yanshan Branch, Sinopec Shijiazhuang Branch and Sinopec Cangzhou Branch are branch companies of Sinopec Corp. incorporated under the laws of the PRC, while Sinopec Tianjin is a wholly-owned subsidiary of Sinopec Corp. Sinopec Corp. is a joint stock limited liability company incorporated in the PRC, the shares of which are listed on the Stock Exchange and the Shanghai Stock Exchange. Each of Sinopec Beijing Yanshan Branch, Sinopec Shijiazhuang Branch, Sinopec Cangzhou Branch and Sinopec Tianjin is principally engaged in oil refining and related petrochemical production activities.

Sinopec Petroleum Reserve Company is a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of Sinopec Group Company, which is principally engaged in the sale and storage of crude oil, the import and export of petrochemical products and the construction of oil reserve facilities.

Sinopec Petroleum Marketing Company is a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of Sinopec Corp., which is principally engaged in the wholesale of crude oil and the storage and distribution of crude oil, petroleum, natural gas and other oil products.

Sinopec Finance Tianjin Branch is a branch company of Sinopec Finance, which is owned as to 51% by Sinopec Group Company and 49% by Sinopec Corp. Sinopec Finance and Sinopec Finance Tianjin Branch are regulated by the National Financial Regulatory Administration of the PRC and are principally engaged in the provision of financial services, including deposit services, loan services, bill acceptance and discount services, entrusted loan services and settlement-related services, in accordance with the applicable laws, regulations and regulatory requirements.

2. Principal terms of the Non-exempt Agreements

We have reviewed the Non-exempt Agreements and note that parties of the Non-exempt Agreements will enter into definite agreements which will set out the specific terms and conditions according to the principles provided in the Non-exempt Agreements.

2.1 Scope of services

The scope of services under the Non-exempt Agreements are set out below:

(i) pursuant to the Crude Oil Jetty Services Framework Agreements, Caofeidian Shihua shall provide crude oil jetty and related services to the relevant members of the Sinopec Group (including Sinopec Beijing Yanshan Branch, Sinopec Tianjin, Sinopec Shijiazhuang Branch, Sinopec Cangzhou Branch, Sinopec Petroleum Reserve Company and Sinopec Petroleum Marketing Company) and/or their respective subsidiaries, including unloading crude oil for oil tankers berthed at the terminal of Caofeidian Shihua, oil tanker berthing and docking, and related services; and

(ii) pursuant to the Financial Services Agreement, Sinopec Finance Tianjin Branch shall provide financial services to Caofeidian Shihua, including loan services, deposit services, entrusted loan services, bill acceptance and discount services, and transfer settlement and relevant settlement services, and other financial services as requested or instructed by Caofeidian Shihua, provided that the provision of the relevant services by Sinopec Finance Tianjin Branch has been approved by the NFRA and is within the business scope of Sinopec Finance Tianjin Branch as registered with the relevant Administration for Market Regulation.

2.2 Pricing Policies

2.2.1 Pricing Policies under the Crude Oil Jetty Services Framework Agreements

Pursuant to the Crude Oil Jetty Services Framework Agreements, the service fees payable by Sinopec Beijing Yanshan Branch, Sinopec Tianjin, Sinopec Shijiazhuang Branch, Sinopec Cangzhou Branch, Sinopec Petroleum Reserve Company, and Sinopec Petroleum Marketing Company and/or their respective subsidiaries to Caofeidian Shihua shall be determined on the following basis:

(i) if the services are subject to State-prescribed prices of the PRC, the service fees shall be charged on the basis of such State-prescribed prices;

(ii) if the services are subject to government-approved prices of the PRC, Caofeidian Shihua may, after negotiation among the relevant parties and having considered the factors and basis set out in item (iii) below, apply to the competent government authorities for approval to adjust the relevant service fees, and Sinopec Beijing Yanshan Branch, Sinopec Tianjin, Sinopec Shijiazhuang Branch, Sinopec Cangzhou Branch, Sinopec Petroleum Reserve Company, and Sinopec Petroleum Marketing Company shall provide (and shall procure their respective subsidiaries to provide) such assistance as may be required by Caofeidian Shihua;

(iii) if the service fees were previously charged on the basis of State-prescribed prices or government-approved prices, but subsequently, (I) there are no applicable State-prescribed prices or government-approved prices; or (II) such State-prescribed prices or government-approved prices are abolished or declared invalid, the service fees shall be determined based on:

  (a) the market price determined in accordance with item (iv) below; or

  (b) if no market price is available, the service fees shall be based on the State-prescribed prices or government-approved prices at which Caofeidian Shihua provided the relevant services in the preceding year, plus a margin not exceeding the product of the rate of increase of the price index for the most recent year as announced by the relevant PRC authorities and the State-prescribed prices or government-approved prices for the preceding year;

(iv) the service fees shall be determined by the parties after arm's length negotiations based on the market price. When determining the market price, the primary factors and pricing basis that the parties shall take into account include:

(a) the actual and direct costs incurred by Caofeidian Shihua in providing the crude oil jetty services;

(b) the prevailing market price charged by any third party providing the same or similar services in the vicinity; and

(c) the fees charged by Caofeidian Shihua for providing the same services to any third party, or (if not available) the fees charged by Caofeidian Shihua for providing similar services to any third party.

In any event, the final market price determined shall be (A) no less than the actual and direct costs incurred by Caofeidian Shihua in providing the crude oil jetty services; and (B) no less than the prevailing market price charged by any third party providing the same or similar services in the vicinity, or, if applicable, no less than the fees charged by Caofeidian Shihua for providing the same or similar services to any third party.

For the crude oil unloading services provided by Caofeidian Shihua, there are no applicable State-prescribed or government-approved prices, the service fees are determined after arm's length negotiations with reference to the actual and direct costs incurred by Caofeidian Shihua in providing such services, plus an appropriate gross profit margin. In determining the appropriate gross profit margin, Caofeidian Shihua takes into account (i) the gross profit margins publicly disclosed by comparable listed companies engaged in similar businesses in the market over the past three years; and (ii) the average gross profit margin levels of its own crude oil unloading business for the same period, to ensure that the resulting rate reflects prevailing industry norms and remains on normal commercial terms. The average gross profit margin of Caofeidian Shihua's crude oil unloading business for 2023, 2024 and the first half of 2025 was approximately 59.99%, 49.08% and 56.54% respectively, which is not less favourable than the overall gross profit margins of the Group (approximately 42.36% in 2023, 48.53% in 2024 and 50.63% in the first half of 2025). Caofeidian Shihua has not provided similar services to independent third-party customers.

We have obtained and reviewed six contracts that were effective in 2025 between Caofeidian Shihua and each of six members of Sinopec Group involved in the Crude Oil Jetty Services Framework Agreements. After discussing with the management of the Company (the "**Management**"), we understood that the crude oil unloading services fee consists of port service is determined after arm's length negotiations with reference to the actual and direct costs incurred by Caofeidian Shihua in providing relevant services plus an appropriate gross profit margin, which is not subject to any applicable State-prescribed prices or government-approved prices.

We have selected port operators listed on Hong Kong and Chinese Mainland stock markets that separately disclose financial information for oil/liquid unloading-related segments in the database of Wind, and identified four comparable segments of four listed port operators, which forms an exhaustive list. The average gross profit margin of such comparable segments is 47.26%, 47.96% and 51.78% for 2023, 2024 and 1H2025, respectively, details of which are listed below:

		Gross Profit Margin		
Company Name and Stock Code	**Segment**	**FY2023**	**FY2024**	**1H2025**
Qingdao Port International Co., Ltd. (06198.HK/601298.SH)	Liquid Bulk Handling and Ancillary Services Segment	58.05%	58.81%	66.14%
Ningbo Zhoushan Port Company Limited (601018.SH)	Crude Oil Loading, Unloading and Related Businesses	35.30%	38.26%	46.10%
Nanjing Port Co., Ltd. (002040.SZ)	Oil Products and Chemicals Loading, Unloading and Storage Segment	45.69%	45.67%	48.90%
Zhuhai Winbase International Chemical Tank Terminal Co., Ltd. (002492.SZ)	Loading and Unloading Segment	49.99%	49.10%	45.99%
Average		**47.26%**	**47.96%**	**51.78%**

Source: Wind

We understood from the Management that the average historical gross profit margin of crude oil unloading services provided by Caofeidian Shihua is approximately 59.99%, 49.08%, and 56.54% for 2023, 2024 and 1H2025, respectively, which is above the average of the gross profit margin of comparable segments in each of the corresponding periods. Accordingly, we consider the gross profit margin applied in the pricing of the crude oil unloading services fees could reflect prevailing industry norms and remain on normal commercial terms. Taking into account the above, we consider the gross profit margin markup on actual and direct costs in determining the crude oil unloading services fee to be fair and reasonable.

As the crude oil unloading services fee is determined with reference to the actual and direct costs for providing such service, and included an appropriate gross profit margin in line with prevailing industry norms, we consider that the abovementioned pricing policies are fair and reasonable.

2.2.2 Pricing Policies for deposit services under the Financial Services Agreement

Pursuant to the Financial Services Agreement, when Sinopec Finance Tianjin Branch provides deposit services to Caofeidian Shihua, the deposit interest rates shall be determined with reference to the relevant deposit interest rate standards promulgated by the PBOC from time to time, but shall not be lower than the interest rates applicable to the same type of deposit services offered by independent commercial banks to other members of the Sinopec Group. In determining whether to accept the deposit service offered by Sinopec Finance

Tianjin Branch, the finance department of the Company conducts regular market comparisons by obtaining contemporaneous quotations from at least two independent commercial banks for deposits of similar nature, amount and term.

Given that the Company could earn interest income from the Sinopec Finance Tianjin Branch at interest rates which are no less favourable than the deposit interest rates offered by independent commercial banks for deposits of similar nature, amount and term, we consider that the abovementioned pricing policies are fair and reasonable.

2.3 Assessment of the relationship between the Group and Sinopec Group

Caofeidian Shihua has been providing crude oil jetty services to members of Sinopec Group (including but not limited to Sinopec Beijing Yanshan Branch, Sinopec Shijiazhuang Branch, Sinopec Cangzhou Branch, and Sinopec Tianjin) for over 15 years, dating back to its establishment. In evaluating the relationship between the Group and Sinopec Group, we have discussed with the Management and understood that Caofeidian Shihua operates the only crude oil jetty facilities in Caofeidian area. Consequently, maritime crude oil imports by the Sinopec Group serving the Beijing, Tianjin, and Hebei regions used to utilise Caofeidian Shihua's crude oil jetty facilities. Given the limited availability of alternative crude oil terminal suppliers capable of serving the Beijing, Tianjin, and Hebei regions, the likelihood of the Sinopec Group replacing Caofeidian Shihua with other providers is considered low. Accordingly, we are of the view that the Group and Sinopec Group have mutual reliance in respect of their respective operations in the Beijing, Tianjin, and Hebei regions, and such a long-established relationship is unlikely to materially adversely change or terminate in the foreseeable future.

As advised by the Management, the Group plans and has taken measures to gradually increase the revenue from independent third parties to reduce the potential reliance on Sinopec Group, by way of including but not limited to introducing more independent customers. Huade Petrochemical, a wholly-owned subsidiary of the Company, has introduced new independent customers and expanded into new service segments. In September 2025, Huade Petrochemical commenced cooperation with a new independent third-party customer in relation to naphtha unloading services, which began trial operation and completed approximately 284,400 tonnes of unloading for such customer in the first half of 2025, with further increase in volume expected upon formal operation in 2026. The unloading volume contributed by independent third-party customers under Huade Petrochemical's crude oil terminal services reached a historical high in 2025, reflecting the Group's ongoing efforts in diversifying its customer portfolio. We have obtained and reviewed the revenue spread of the Group's crude oil jetty unloading services since 2023 and noted that new independent customers have been introduced while the revenue from independent third parties increased from approximately 2% for the first half of 2023 to approximately 16% for 1H2025. Furthermore, pursuant to the Hebei Province's "15th Five-Year Plan", the construction of crude oil storage bases has been identified as a key development

initiative. As Caofeidian Shihua currently operates the only crude oil terminal facility in the Caofeidian region, potential demand from independent third-party customers is expected to increase following completion of the local crude oil storage base. Accordingly, we consider that sufficient and effective effort has been taken by the Group to prevent material reliance on Sinopec Group.

In light of the above, we concur with the Board's view that a certain degree of mutual reliance exists in respect of the Group's crude oil jetty services business while such mutual reliance does not give rise to a material adverse impact on the Group's business operations, financial position or operational independence, and that concentration risk is expected to be progressively mitigated as the Group continues to diversify its customer base and develop new business opportunities.

3. Reasons for and benefits of the transactions contemplated under the Non-exempt Agreements

3.1 Crude Oil Jetty Services Framework Agreements

As stated in the Letter from the Board, Caofeidian Shihua operates a crude oil terminal and related facilities located in Caofeidian, Tangshan, the PRC, which serve as an important logistics node for the import, unloading and handling of crude oil by certain members of Sinopec Group. The crude oil terminal and ancillary facilities of Caofeidian Shihua are geographically proximate to the operational areas of such members of Sinopec Group, and the crude oil import, unloading and logistics arrangements of those members of Sinopec Group are closely aligned and coordinated from time to time. Accordingly, Caofeidian Shihua has been providing crude oil jetty unloading, berthing and related services to certain members of Sinopec Group on a recurring basis in the ordinary and usual course of its business, with such members of Sinopec Group constituting major customers of Caofeidian Shihua for crude oil jetty services.

The entering into of the Crude Oil Jetty Services Framework Agreements enables the Group to continue capturing stable business opportunities arising from the crude oil import and logistics activities of certain members of Sinopec Group, enhance the utilisation efficiency of the crude oil terminal and related facilities operated by Caofeidian Shihua, and generate stable operating income for the Group.

We have discussed with and are advised by the Management that the provision of crude oil jetty services constitutes the Group's principal business, Caofeidian Shihua has provided crude oil jetty services exclusively to members of Sinopec Group for more than 10 years, with Sinopec Group remaining its sole customer throughout this period.

Having taken into account the Caofeidian Shihua's long-standing relationship with members of Sinopec Group, and that entering into the Crude Oil Jetty Services Framework Agreements is intended to ensure continuity of the Caofeidian Shihua's business operations and strengthen the crude oil jetty services of the Group following

the effectiveness of the Exclusive Operation Agreement, we concur with the view of the Directors that the entering into of the Crude Oil Jetty Services Framework Agreements is in the ordinary and usual course of business of the Group and in the interests of the Company and its shareholders as a whole.

3.2 Deposit services under the Financial Services Agreement

The Financial Services Agreement was entered into on the following basis:

(i) the interest rates and fees applicable to the financial services to be provided by Sinopec Finance Tianjin Branch to Caofeidian Shihua, including loan services and deposit services, will be no less favourable than those offered by independent commercial banks in the PRC for comparable services;

(ii) Sinopec Finance and Sinopec Finance Tianjin Branch are subject to the supervision of the NFRA and will provide the relevant financial services in accordance with the applicable laws, regulations and regulatory requirements;

(iii) Sinopec Finance Tianjin Branch is familiar with the operational characteristics and funding requirements of Caofeidian Shihua. As both parties are members of the Sinopec Group, Sinopec Finance Tianjin Branch is able to provide timely, flexible and cost-effective financial services that better align with the operational needs of Caofeidian Shihua;

(iv) the provision of financial services by Sinopec Finance Tianjin Branch facilitates the centralised management and settlement of funds among members of the Sinopec Group (including the Group), enhances the efficiency of fund utilisation and strengthens the Group's capital management and internal control;

(v) the arrangements are expected to reduce the time required for fund transfers, accelerate cash flow turnover and lower transaction and settlement costs, thereby improving the overall efficiency of capital utilisation;

(vi) the financial services to be provided by Sinopec Finance Tianjin Branch are consistent with market practices and will be conducted on normal commercial terms, and are in the interests of the Company and the Shareholders as a whole;

(vii) pursuant to the applicable regulatory requirements of the NFRA, the customers of Sinopec Finance Tianjin Branch are limited to members of the Sinopec Group and their subsidiaries (including the Group), which reduces the credit and operational risks that may otherwise arise from dealings with unrelated third parties; and

(viii) Sinopec Finance Tianjin Branch undertakes to provide the relevant financial services, including repayment of deposits (together with accrued interest) and the provision of loan or entrusted loan services, in a timely manner in accordance with the terms of the relevant service agreements.

We have reviewed the licenses of Sinopec Finance Tianjin Branch and have been advised by the Company that to their best knowledge, up to the Latest Practicable Date, there is no record of material non-compliance with relevant laws, rules and regulations of the PRC and Hong Kong on the Sinopec Finance Tianjin Branch. Sinopec Finance (including Sinopec Finance Tianjin Branch) only provides financial services to Sinopec Group (including the Group). We are advised by the Management that Sinopec Finance Tianjin Branch is required to operate in compliance with the Administrative Measures for the Group Finance Companies*（《企業集團財務公司管理辦法》）("**Measures**") promulgated by the original CBIRC to standardise the activities of group finance companies, to prevent financial risk, and to facilitate the stable and sound operation and healthy development of group finance companies. We noted that the Measures set out certain compliance and risk control requirements/measures relating to the operation of group finance companies, including but not limited to maintaining certain financial ratios. Furthermore, pursuant to the Measures, Sinopec Finance (including Sinopec Finance Tianjin Branch) is required to comply with PBOC's deposit reserve requirements by placing certain amounts of deposit reserve with PBOC in proportion to the deposit balances, which the Management considers and we concur that such requirement is a measure to safeguard the safety of its deposits in Sinopec Finance Tianjin Branch. We have also obtained and reviewed the documents in relation to the parent undertaking made Sinopec Group Company towards Sinopec Finance as its controlling shareholder (the "**Parent Undertaking**") so that if, in an emergency, Sinopec Finance faces difficulties in meeting its payment obligations, Sinopec Group Company will increase the capital of Sinopec Finance as required to solve such payment difficulties. According to its website (http://www.sinopecgroup.com/group/en/000/000/067/67881.shtml), Sinopec Group Company is China's largest supplier of oil and petrochemical products, the world's largest refining company, and the second-largest chemical company, and has consistently ranked among the top companies in the Fortune Global 500 list in recent years. Sinopec Corp., the principal subsidiary of Sinopec Group Company, together with its subsidiaries had total assets of RMB2,084,771 million and cash at bank and on hand of RMB146,799 million as at 31 December 2024. In addition, Sinopec Group Company has obtained an A+ rating from Standard & Poor in October 2025 and an A1 rating from Moody's in May 2025. Based on the above, it is believed that Sinopec Group Company will have sufficient financial resources to fulfill its obligations under the abovementioned commitment. Furthermore, as confirmed by the Management, there was no default of payment by Sinopec Finance Tianjin Branch to Caofeidian Shihua and the Group in the past.

Having considered that (i) there is no restriction under Financial Services Agreement on Caofeidian Shihua for selecting their service provider(s) for the provision of deposit services; (ii) the deposit services under the Financial Services Agreement offers Caofeidian Shihua the right but not the obligation of selecting Sinopec Finance Tianjin Branch as its service provider; (iii) the deposit rates to be offered to Caofeidian Shihua by Sinopec Finance Tianjin Branch pursuant to the

Financial Services Agreement shall be no less favourable than those offered by independent banks in the PRC; (iv) Sinopec Finance Tianjin Branch is regulated by NFRA and PBOC; (v) Sinopec Group Company is obliged to support Sinopec Finance Tianjin Branch and has sufficient finance resources to fulfill its obligations under its commitment made to NFRA and the Parent Undertaking; and (vi) there was no default of payment by Sinopec Finance Tianjin Branch to Caofeidian Shihua and the Group in the past, we concur with the view of the Directors that the deposit services under the Financial Services Agreement is in the interests of the Company and its shareholders as a whole.

4. Proposed Annual Caps

In assessing the fairness and reasonableness of the Proposed Annual Caps, we have discussed with the Company about the basis and underlying assumptions used in the determination of the Proposed Annual Caps.

4.1 Historical Amount, Existing and Proposed Annual Caps

The following table sets forth (i) the historical amounts for the three years ended 31 December 2025; and (ii) the Proposed Annual Caps for each of the three years ending 31 December 2028.

RMB million		Existing Annual Caps for the years ended/ending 31 December			Proposed Annual Caps for the years ending 31 December		
		2023	**2024**	**2025**	**2026**	**2027**	**2028**
Crude Oil Jetty Services Framework Agreements							
Transaction amounts received by Caofeidian Shihua	Annual caps	–	–	–	155.00	155.00	155.00
	Actual amounts	133.35	123.64	119.08	–	–	–
Deposit services under Financial Services Agreement							
Maximum outstanding balance (including any interest accrued therefrom)	Annual Caps	–	–	–	150.00	150.00	150.00
	Actual amounts	–	–	130.33	–	–	–

4.2 Proposed Annual Caps under the Crude Oil Jetty Services Framework Agreements

4.2.1 Basis of determining the Jetty Services Caps

In determining the Proposed Annual Caps under the Crude Oil Jetty Services Framework Agreements for each of the three years ending 31 December 2028 (the "**Jetty Services Caps**"), the Company has mainly considered:

(i) the historical transaction amounts in respect of the provision of crude oil jetty services by Caofeidian Shihua to the relevant members of Sinopec Group;

(ii) the pricing of RMB10.35 per ton charged by Caofeidian Shihua for providing crude oil unloading service as determined on arm's length basis;

(iii) the expected demand for crude oil jetty services of not more than 15 million tonnes arising from the crude oil import and logistics arrangements of the relevant members of Sinopec Group, taking into account the existing throughput volume and operational capacity of the crude oil terminal operated by Caofeidian Shihua, and considering the future completion of the local crude oil storage base in Caofeidian; and

(iv) the need to maintain an appropriate buffer to cater for potential fluctuations in throughput volume and operational requirements during the term of the Crude Oil Jetty Services Framework Agreements.

4.2.2 Assessment to the Jetty Services Caps

In assessing the fairness and reasonableness of the Jetty Services Caps, we have reviewed the historical amounts of the relevant crude oil jetty services for the three years ended 31 December 2025, which represent approximately 86.03%, 79.77%, and 76.82% of Jetty Services Caps, respectively.

We have also reviewed and discussed the calculation model for determining the Jetty Services Caps and understood that such caps are estimated with reference to (i) Caofeidian Shihua's crude oil unloading design capacity of 20 million tonnes per annum and the projected utilisation of up to 15 million tonnes per annum for the years 2026 to 2028; and (ii) the service fee of RMB10.35 per ton charged by Caofeidian Shihua for providing crude oil unloading services in 2025.

As advised by the Management, the historical crude oil unloading volumes of Caofeidian Shihua were approximately 13.4, 13.7, 12.7 and 12.0 million tonnes for 2022, 2023, 2024 and 2025 respectively. The reduction of utilisation in 2025 was primarily attributable to repairs and maintenance works carried out by the refineries of Sinopec Corp. and the utilisation of jetty facilities of Caofeidian Shihua is expected to recover in subsequent years.

Pursuant to the Hebei Province 15th Five-Year Plan, the development of crude oil storage bases has been identified as one of the key initiatives. Caofeidian Shihua operates the sole crude oil jetty facilities currently available in the Caofeidian area. Upon completion of the local crude oil storage base in Caofeidian, the demand for Caofeidian Shihua's crude oil unloading services is expected to increase correspondingly. We have obtained and reviewed a letter of

negotiation addressed to Caofeidian Shihua from an independent third party which is expected to import crude oil from members of Sinopec Group, while Caofeidian Shihua would provide unloading services for such crude oil imports.

Taking into account that (i) the historical amounts of the relevant crude oil jetty services represent a substantial portion of Jetty Services Caps; (ii) the expected service fee of RMB10.35 per ton for providing crude oil unloading services is in line with the historical fee charged by Caofeidian Shihua in 2025; and (iii) the expected utilisation of Caofeidian Shihua's crude oil unloading capacity reflects historical utilisation levels and potential increase driven by future expansion of crude oil storage bases in Caofeidian, we concur with the Directors that the Jetty Services Caps are fair and reasonable.

4.3 Proposed Annual Caps of deposit services under Financial Services Agreement

4.3.1 Basis of determining the Deposit Caps

In determining the Proposed Annual Caps of deposit services under Financial Services Agreement for each of the three years ending 31 December 2028 (the "**Deposit Caps**"), the Company has mainly considered:

(i) Caofeidian Shihua has started placing deposits with Sinopec Finance Tianjin Branch from 2025 in the ordinary and usual course of business, and proposed annual caps have taken into account the historical scale of such deposit activities;

(ii) the cash and cash equivalents of Caofeidian Shihua amounted to approximately RMB150.8 million, RMB175.2 million and RMB215.5 million as at 31 December 2023, 31 December 2024, and 31 December 2025, respectively;

(iii) in order to enhance centralised fund management and improve the efficiency of fund utilisation, the Sinopec Group (including the Group) intends to continue to utilise the centralised fund management platform facilitated by Sinopec Finance Tianjin Branch, which allows members of the Sinopec Group (including the Group) to optimise internal fund allocation and liquidity management;

(iv) Sinopec Finance Tianjin Branch is subject to the supervision of the NFRA and has maintained sound operational and financial conditions, robust internal controls and well-regulated management. The settlement and fund management systems of Sinopec Finance Tianjin Branch meet the safety standards applicable to domestic commercial banks in the PRC;

(v) deposits placed by Caofeidian Shihua with Sinopec Finance Tianjin Branch are expected to generate interest income at rates no less favourable than those offered by independent commercial banks in the PRC for comparable deposit services; and

(vi) in respect of the funds settlement services provided by Sinopec Finance Tianjin Branch, no service fees will be charged to Caofeidian Shihua, unless such fees are charged by independent commercial banks to Sinopec Finance Tianjin Branch, in which case Sinopec Finance Tianjin Branch will charge Caofeidian Shihua the same amount accordingly.

4.3.2 Assessment to the Deposit Caps

In assessing the fairness and reasonableness of the Deposit Caps, we have reviewed the historical outstanding balance of deposit (including any interest accrued therefrom) placed by Caofeidian Shihua with Sinopec Finance Tianjin Branch for the year ended 31 December 2025, which represent approximately 89.88% of Deposit Caps.

We have also reviewed the audited financial reports of Caofeidian Shihua for the years ended 31 December 2023 and 31 December 2024, and the unaudited management accounts of Caofeidian Shihua for the year ended 31 December 2025. Based on our review, we noted that the cash and cash equivalents of Caofeidian Shihua amounted to approximately RMB150.8 million, RMB175.2 million, and RMB215.5 million as at 31 December 2023, 31 December 2024, and 31 December 2025, respectively.

Taking into account that (i) the historical amounts of the relevant deposit represent a substantial portion of Deposit Caps; and (ii) the historical cash and cash equivalents of Caofeidian Shihua have been increasing and the Deposit Caps are significantly lower than the cash position of Caofeidian Shihua as at 31 December 2025, we concur with the Directors that the Deposits Caps are fair and reasonable.

5. Internal Control

The Company has adopted certain internal control procedures and corporate governance measures in relation to the Non-exempt Agreements, details of which are included in the section headed "Internal control measures for the transactions" under each of the Non-exempt Agreements in the Letter from the Board. We have also obtained and reviewed the Company's internal procedures and systems for approving and monitoring such services and transactions, including the Measures of the Administration of Connected Transactions (《關聯交易管理辦法》).

For the pricing terms of crude oil jetty services, we have obtained and reviewed (i) six contracts that were effective in 2025 between Caofeidian Shihua and each of six members of Sinopec Group involved in the Crude Oil Jetty Services Framework Agreements (the "**Sample Jetty Transactions**"); and (ii) the actual and direct costs and gross profit margin for providing crude oil jetty services. As advised by the Management, there were no

applicable State-prescribed prices or government-approved prices for crude oil jetty services provided by Caofeidian Shihua, and Caofeidian Shihua did not provide crude oil unloading services to independent third parties during the period from 2023 to 2025. We noted that the crude oil unloading services fee in the sample contracts is determined with reference to the actual and direct costs for providing such services on a fair and reasonable basis, as discussed in the section headed "2.2.1 Pricing Policies under the Crude Oil Jetty Services Framework Agreements" above. For the payment terms of crude oil jetty services, as Caofeidian Shihua did not provide crude oil jetty services to independent third parties in history, we have obtained and reviewed the only two sets of jetty services agreements between the Group and independent third parties which were effective in 2025 (the "**Comparable Jetty Transactions**"). We compared the payment terms of Comparable Jetty Transactions with those of Sample Jetty Transactions and noted that the payment terms of Sample Jetty Transactions are fair and reasonable and no less favourable to the Group than those of Comparable Jetty Transactions. In light of the above, we consider the pricing and payment terms of crude oil jetty services offered by Caofeidian Shihua are determined in accordance with the Company's internal control measures.

For the deposit services, we have (i) obtained and reviewed three sets of deposit documents provided by Sinopec Finance Tianjin Branch to Caofeidian Shihua in 2025 (the "**Sample Deposit Transactions**"); (ii) compared the interest rates of Sample Deposit Transactions with the only two available sets of deposit documents provided by independent banks to Caofeidian Shihua in 2025 (the "**Comparable Deposit Transactions**"); and (iii) searched and compared the interest rates as announced by six major state-owned independent commercial banks in the PRC on their official websites (i.e. Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, Bank of Communications, and Postal Savings Bank of China; collectively, the "**Comparable Commercial Banks**"), details of which are listed below:

		Duration	
RMB Deposit Interest Rates	**Half Year**	**One Year**	**Two Years**
Industrial and Commercial Bank of China	0.85%	0.95%	1.05%
Agricultural Bank of China	0.85%	0.95%	1.05%
Bank of China	0.85%	0.95%	1.05%
China Construction Bank	0.85%	0.95%	1.05%
Bank of Communications	0.85%	0.95%	1.05%
Postal Savings Bank of China	0.86%	0.98%	1.05%
Sample Deposit Transactions	**1.40%**	**1.50%**	**1.60%**

Note: RMB deposit interest rates of Comparable Commercial Banks have been effective since 20 May 2025.

As the Sample Deposit Transactions cover all types of duration of deposits placed by Caofeidian Shihua at Sinopec Finance Tianjin Branch in 2025 (i.e., half year, one year, and two years), we consider that the Sample Deposit Transactions obtained by us are sufficient and representative. We noted that for the deposit with same duration during similar period, the interest rates in Sample Deposit Transactions are more favorable than those in

Comparable Deposit Transactions, as well as those announced by Comparable Commercial Banks. In light of the above, we consider effective internal control measures are in place in relation to the deposit services under the Financial Services Agreement.

Pursuant to Rules 14A.55 and 14A.56 of the Listing Rules, the independent non-executive Directors and auditor of the Company will conduct annual review and issue confirmations regarding the continuing connected transactions of the Company each year. We have reviewed the 2023 AR and 2024 AR and noted that the independent non-executive Directors and the auditor of the Company have reviewed the non-exempt continuing connected transactions during such years and provided the relevant confirmations. As confirmed with the Company, the Company will continue to comply with the relevant annual review requirement under the Listing Rules on an on-going basis.

Based on the above, we concur with the Directors' view that the Group has effective internal control measures and policies in place to continue to monitor the continuing connected transactions under the Non-exempt Agreements and the Proposed Annual Caps, therefore the interests of the Company and its Shareholders would be safeguarded.

RECOMMENDATION

Having considered the above factors and reasons, we are of the opinion that (i) the Non-exempt Transactions are conducted in the ordinary and usual course of business of the Group and on normal commercial terms; and (ii) the terms of the Non-exempt Transactions and the Proposed Annual Caps are fair and reasonable and in the interests of the Company and its Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend and we also recommend the Independent Shareholders to vote in favour of the resolutions in relation to the Non-exempt Agreements to be proposed at the SGM.

Yours faithfully,
For and on behalf of
Maxa Capital Limited
Dian Deng
Managing Director

Ms. Dian Deng is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Maxa Capital Limited to carry out type 6 (advising on corporate finance) regulated activities under the SFO and has over 18 years of experience in corporate finance industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

As at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange.

Save as disclosed in paragraph 3 below, as at the Latest Practicable Date, none of the Directors were directors or employees of a company which had an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. DISCLOSURE OF INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as the Directors are aware, each of the following persons (other than a Director or chief executive of the Company or their respective associates) had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long position in the Shares and in the underlying Shares

Name of shareholder	Capacity and nature of interest	Number of ordinary shares held	Approximate percentage of total issued shares
SKI *(Note 1)*	Beneficial owner	1,500,000,000(L)	60.33%
CITIC Group Corporation *(Note 2)*	Interest of controlled corporations	201,434,000(L)	8.10%
CITIC Limited *(Note 2)*	Interest of controlled corporations	201,434,000(L)	8.10%
CTI Capital Management Limited *(Note 2)*	Beneficial owner	201,434,000(L)	8.10%

(L) Long positions

Notes:

1. The entire issued share capital of SKI is held by China International United Petroleum & Chemicals Co., Ltd. ("**UNIPEC**"). The controlling interest in the registered capital of UNIPEC is ultimately held by Sinopec Group Company.

2. According to the disclosure of interests as set out on the website of the Stock Exchange, CTI Capital Management Limited was interested in 201,434,000 shares of the Company in long position.

   According to the disclosure of interests as set out on the website of the Stock Exchange, CITIC Group Corporation and CITIC Limited are deemed to be interested in the shares of the Company held by CTI Capital Management Limited under the SFO.

   Specifically, CITIC Group Corporation held 100% equity interest in CITIC Polaris Limited, which held 27.52% equity interest in CITIC Limited. CITIC Group Corporation also held 100% equity interest in CITIC Glory Limited, which held 25.60% equity interest in CITIC Limited. Thus, CITIC Group Corporation indirectly held 53.12% equity interest in CITIC Limited. CITIC Limited held 100% equity interest in CITIC Corporation Limited. CITIC Corporation Limited also held 100% equity interest in CITIC Financial Holdings Co., Ltd., which held 100% equity interest in CITIC Trust Co., Ltd. CITIC Trust Co., Ltd. held 100% equity interest in CTI Capital Management Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other persons (not being a Director or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

As at the Latest Practicable Date, Mr. Zhong Fuliang, Mr. Yang Yanfei, Mr. Ren Jiajun, Mr. Zou Wenzhi, Mr. Mo Zhenglin and Mr. Sang Jinghua, being the executive Directors, are also directors of SKI.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which will not expire or be determinable by the relevant member of the Group within one (1) year without payment of compensation (other than statutory compensation).

5. DIRECTORS' COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors or their respective close associates (as defined in the Listing Rules) had any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. INTERESTS IN ASSETS AND/OR CONTRACTS AND OTHER INTERESTS

As at the Latest Practicable Date:

(a) there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to any business of the Group.

(b) none of the Directors had any interest, direct or indirect, in any assets which had been, since 31 December 2024, being the date to which the latest audited consolidated financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

7. EXPERT AND CONSENT

The following is the qualifications of the expert that has given opinions or advices, which are contained in this circular:

Name	Qualifications
Maxa Capital Limited	A licensed corporation under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities for the purpose of the SFO

Maxa Capital Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion therein of its letter dated 10 March 2026 and references to its name in the form and context in which it appears.

As at the Latest Practicable Date, Maxa Capital Limited had no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, and had no interest, direct or indirect, in any assets which had been, since 31 December 2024, being the

date to which the latest audited consolidated financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

8. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm that there had been no material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up.

9. GENERAL

(I) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

(II) The principal place of business of the Company in Hong Kong is at 34/F, Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong.

(III) The Hong Kong share registrar and transfer office of the Company is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

(IV) The company secretary of the Company is Ms. Huang He, who is an associate member of both The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom.

(V) The English text of this circular shall prevail over the Chinese text in case of any inconsistency.

10. DOCUMENTS FOR DISPLAY

Electronic copies of the following documents are published on the website of the Stock Exchange (http://www.hkexnews.hk) and the website of the Company (www.sinopec.com.hk) for a period of 14 days from the date of this circular (both days inclusive):

(a) the Crude Oil Jetty Services Framework Agreements;

(b) the Financial Services Agreement;

(c) the letter from the Board dated 10 March 2026, the text of which is set out on pages 5 to 27 of this circular;

(d) the letter of recommendation from the Independent Board Committee dated 10 March 2026, the text of which is set out on pages 28 to 29 of this circular;

(e) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders dated 10 March 2026, the text of which is set out on pages 30 to 49 of this circular;

(f) the letter of consent from the Independent Financial Adviser referred to under the section headed "7. Expert and Consent" in this Appendix; and

(g) this circular.

中国石化
SINOPEC

SINOPEC KANTONS HOLDINGS LIMITED
(中石化冠德控股有限公司) *

(incorporated in Bermuda with limited liability)

(Stock Code: 934)

NOTICE IS HEREBY GIVEN that a special general meeting (the "**Meeting**") of the shareholders of Sinopec Kantons Holdings Limited (the "**Company**") will be held at Salon Rooms II-III, 5/F., Harbour Grand Hong Kong, 23 Oil Street, North Point, Hong Kong at 2:30 p.m. on 30 March 2026, Monday and at any adjournment thereof for the following purposes:

ORDINARY RESOLUTIONS

To consider and, if thought fit, to pass (with or without modification) the following resolutions as ordinary resolutions of the Company:

1. "**THAT**:

   (i) the entering into of the Crude Oil Jetty Services Framework Agreements be and is hereby approved;

   (ii) the proposed annual caps for the Crude Oil Jetty Services Framework Agreements for the three financial years ending 31 December 2028 be and are hereby approved; and

   (iii) any one Director (or where execution under the common seal of the Company is required, any two Directors or any one Director and any one secretary of the Company) be and is/are hereby authorised to do further acts and things, enter into all transactions and arrangements, execute all other documents and/or deeds and/or take all such steps as he/she may consider necessary, desirable or expedient to carry out or give effect to or otherwise in connection with or in relation to the Crude Oil Jetty Services Framework Agreements."

* *For identification purpose only*

2. "**THAT**:

(i) the entering into of the Financial Services Agreement be and is hereby approved;

(ii) the proposed annual caps for the Financial Services Agreement for the three financial years ending 31 December 2028 be and are hereby approved; and

(iii) any one Director (or where execution under the common seal of the Company is required, any two Directors or any one Director and any one secretary of the Company) be and is/are hereby authorised to do further acts and things, enter into all transactions and arrangements, execute all other documents and/or deeds and/or take all such steps as he/she may consider necessary, desirable or expedient to carry out or give effect to or otherwise in connection with or in relation to the Financial Services Agreement."

By order of the Board
Sinopec Kantons Holdings Limited
Zhong Fuliang
Chairman

Hong Kong, 10 March 2026

Notes:

1. Any shareholder of the Company (the "**Shareholder**") entitled to attend and vote at the meeting (or at any adjournment thereof) convened by the above notice is entitled to appoint one or more proxy to attend and vote instead of him/her in accordance with the provisions of the bye-laws of the Company. A proxy needs not be a Shareholder.

2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible, and in any event no later than forty-eight (48) hours before the time appointed for the holding of the meeting (or any adjourned meeting thereof). Delivery of the form of proxy will not preclude a Shareholder from attending and voting in person at the meeting (or at any adjournment thereof) and in such event, such form of proxy shall be deemed to be revoked.

3. The resolutions proposed will be voted by way of poll.

4. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from 25 March 2026 (Wednesday) to 30 March 2026 (Monday) (both days inclusive), during which period no transfer of shares will be registered. In order to qualify to attend the meeting, all share transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:00 p.m. on 24 March 2026 (Tuesday). Shareholders whose names are recorded in the register of members of the Company as of 30 March 2026 shall be entitled to attend the SGM.

5. In case Typhoon Signal No. 8 or above is hoisted, or a Black Rainstorm Warning Signal or "extreme conditions caused by a super typhoon" announced by the Government is/are in force in Hong Kong on the date of the special general meeting, please refer to the Company's website (www.sinopec.com.hk) and the HKEXnews website (www.hkexnews.hk) for details of alternative meeting arrangements (if any).

As at the date of this notice, the Board comprises the following:

Executive Directors:
Mr. Zhong Fuliang *(Chairman)*
Mr. Yang Yanfei
Mr. Ren Jiajun
Mr. Zou Wenzhi
Mr. Mo Zhenglin
Mr. Sang Jinghua *(General Manager)*

Non-executive Director:
Mr. Tu Yikai

Independent Non-executive Directors:
Mr. Fong Chung, Mark
Dr. Wong Yau Kar, David
Ms. Wong Pui Sze, Priscilla
Mr. Ye, James Zheng