THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in 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 Dongguang Chemical Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the 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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DONGGUANG CHEMICAL LIMITED
東光化工有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1702)

PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION OF DIRECTORS, AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held as a physical meeting at 10:00 a.m. at Chengdong Industrial Zone, Dongguang County, Hebei Province, the PRC on Friday, 22 May 2026 is set out on pages 18 to 23 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting (i.e. by 10 a.m. on Wednesday, 20 May 2026) or any adjournment thereof to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish. For the avoidance of doubt, holders of treasury shares of the Company, if any, shall abstain from voting at the Annual General Meeting.

References to time and dates in this circular are to Hong Kong time and dates.

22 April 2026

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

"Annual General Meeting"	the annual general meeting of the Company to be held at 10:00 a.m. at Chengdong Industrial Zone, Dongguang County, Hebei Province, the PRC on Friday, 22 May 2026, the notice of which is set out on pages 18 to 23 of this circular, and any adjournment thereof
"Articles"	the articles of association of the Company, as amended from time to time
"Board"	the board of Directors
"CCASS"	Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system
"Companies Act"	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands
"Company"	Dongguang Chemical Limited 東光化工有限公司, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange
"controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"Extension Mandate"	a general and unconditional mandate proposed to be granted to the Directors to the effect that the total number of Shares which may be allotted and issued under the Issue Mandate may be increased by an additional number representing such number of Shares actually repurchased under the Repurchase Mandate
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Issue Mandate"	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal (including any sale or transfer of treasury shares out of treasury) with new Shares up to a maximum of 20% of the aggregate number of Shares (excluding treasury shares, if any) in issue as at the date of passing the relevant resolution at the Annual General Meeting
"Latest Practicable Date"	15 April 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
"Repurchase Mandate"	a general and unconditional mandate proposed to be granted to the Directors to enable them to repurchase the Shares on the Stock Exchange the aggregate number of which shall not exceed 10% of the aggregate number of the Shares in issue (excluding treasury shares, if any) as at the date of passing the relevant resolution at the Annual General Meeting, and to determine whether such Shares repurchased shall be held as treasury shares of the Company or otherwise be cancelled
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of US$0.0001 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
"treasury shares"	has the meaning as defined under the Listing Rules

"US$"	United States dollars, the lawful currency of the United States of America
"%"	per cent.

* *For identification purpose only*

DONGGUANG CHEMICAL LIMITED
東光化工有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1702)

Executive Directors:
Mr. Wang Chunmeng
Mr. Wang Zhihe
Mr. Sun Zushan
Mr. Xu Xijiang

Independent non-executive Directors:
Ms. Lin Xiuxiang
Mr. Liu Jincheng
Mr. Ng Sai Leung

Registered office:
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
17/F, Tower I
Grand Century Place
193 Prince Edward Road West
Mongkok, Kowloon
Hong Kong

22 April 2026

To the Shareholders

Dear Sir/Madam

PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION OF DIRECTORS, AND NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The primary purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. Resolutions to be proposed at the Annual General Meeting include, inter alia: (a) ordinary resolutions on the proposed grant of each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (b) ordinary resolutions relating to the proposed re-election of the Directors.

ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be granted the Issue Mandate, i.e. a general and unconditional mandate to allot, issue and deal with (including any sale or transfer of treasury shares out of treasury) new Shares up to 20% of the aggregate number of Shares in issue (excluding treasury shares, if any) as at the date of passing of the relevant resolution. As at the Latest Practicable Date, a total of 620,944,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 124,188,800 Shares.

REPURCHASE MANDATE AND EXTENSION MANDATE

At the Annual General Meeting, an ordinary resolution will also be proposed to give the Directors the Repurchase Mandate, i.e. a general and unconditional mandate to exercise all powers of the Company to repurchase, on the Stock Exchange, or on any other stock exchange on which the Shares may be listed, Shares up to a maximum of 10% of the aggregate number of Shares in issue (excluding treasury shares, if any) as at the date of passing of the relevant resolution. In addition, an ordinary resolution regarding the Extension Mandate will be proposed at the Annual General Meeting to authorise the increase in the total number of new Shares which may be allotted, issued and dealt (including any sale or transfer of treasury shares out of treasury) with under the Issue Mandate by an additional number representing such number of Shares actually repurchased under the Repurchase Mandate.

The Repurchase Mandate and the Issue Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or by any applicable law or Companies Act to be held; or (c) when revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

Under the Listing Rules, the Company is required to give to its Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in the Appendix I to this circular.

RE-ELECTION OF DIRECTORS

According to Article 105(A) of the Articles, at each annual general meeting, one third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office.

According to Article 105(B) of the Articles, the Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

By virtue of Articles 105(A) and 105(B) of the Articles, Mr. Sun Zushan, Ms. Lin Xiuxiang and Mr. Liu Jincheng will retire as Directors at the Annual General Meeting, and each of them, being eligible, will offer themselves for re-election at the Annual General Meeting.

The nomination committee of the Company has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Board diversity policy of the Company, Director nomination policy, the Company's corporate strategy and the independence of the independent non-executive Directors.

The nomination committee of the Company and the Board, having reviewed the Board's composition and noted that Mr. Sun Zushan, Ms. Lin Xiuxiang and Mr. Liu Jincheng are eligible for nomination and re-election under (among others) the Articles and the Company's policy for nomination of Directors, resolved to make recommendations on the re-election of the above Directors by the Shareholders at the Annual General Meeting.

The recommendations on re-election were made in accordance with the Company's policy for nomination of Directors and took into account the diversity aspects (including, without limitation, skills, professional experience, educational background, knowledge, expertise, culture, independence, age and gender) under the Board diversity policy of the Company. The nomination committee of the Company and the Board also took into consideration the perspectives, skills and experience that Ms. Lin Xiuxiang and Mr. Liu Jincheng could bring to the Board as independent non-executive Directors, including without limitation, their expertise in the financial management and experience in the urea industry, respectively, and their contributions to the Board and its diversity. The Company has received from Ms. Lin Xiuxiang and Mr. Liu Jincheng the annual confirmation of their independence according to Rule 3.13 of the Listing Rules and the nomination committee of the Company and the Board is satisfied with their independence with reference to the guidelines set out therein.

Particulars of Mr. Sun Zushan, Ms. Lin Xiuxiang and Mr. Liu Jincheng are set out in Appendix II to this circular.

ACTIONS TO BE TAKEN

At the Annual General Meeting, ordinary resolutions will be proposed to approve, among other matters, the following:

(a) the proposed grant of the Issue Mandate, Repurchase Mandate and Extension Mandate; and

(b) the proposed re-election of Directors.

A form of proxy for use at the Annual General Meeting is enclosed herewith and published on the website of the Stock Exchange at **www.hkexnews.hk** and the website of the Company at **www.dg-chemical.com**. Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not later than 48 hours before the time for the Annual General Meeting (i.e. by 10:00 a.m. on Wednesday, 20 May 2026)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

VOTING AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. Treasury shares, if any, registered in the name of the Company, shall have no voting rights at the Annual General Meeting. For the avoidance of doubt, treasury shares, if any, pending withdrawal from and/or transfer through CCASS shall not bear any voting rights at the Annual General Meeting. The chairman of the Annual General Meeting will therefore demand a poll for every resolution put to the vote of the Annual General Meeting pursuant to Article 72 of the Articles. An announcement on the poll vote results will be made by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Board considers that the ordinary resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of such resolutions at the Annual General Meeting.

CLOSURE OF REGISTER OF MEMBERS

For determination of the entitlement to attend and vote at the Annual General Meeting, the transfer books and register of members will be closed from Tuesday, 19 May 2026 to Friday, 22 May 2026 (both days inclusive) during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 18 May 2026. The record date for determining Shareholders' entitlement to attend and vote at the Annual General Meeting shall be Friday, 22 May 2026.

For determination of the entitlement to the proposed final dividend, conditional upon the passing of the resolution approving the declaration of the proposed final dividend at the Annual General Meeting, the transfer books and register of members will be closed from Friday, 29 May 2026 to Tuesday, 2 June 2026 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for the proposed final dividend, which is expected to be paid on or around Friday, 12 June 2026, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch registrar and transfer office, Tricor Investor Services Limited, at the address stated above not later than 4:30 p.m. on Thursday, 28 May 2026. The record date for determining entitlement to the proposed final dividend shall be Tuesday, 2 June 2026.

BAD WEATHER ARRANGEMENTS

If typhoon signal No. 8 or above, a black rainstorm warning, extreme weather conditions or other similar event is in effect at 8:00 a.m. on the date of the Annual General Meeting, the meeting will be postponed. The Company will post an announcement on its website (www.dg-chemical.com) and website of the Stock Exchange (www.hkexnews.hk) to notify the Shareholders of the date, time and place of the rescheduled meeting.

GENERAL INFORMATION

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

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
For and on behalf of the Board of
Dongguang Chemical Limited
東光化工有限公司
Wang Chunmeng
Chairman

This Appendix I serves as an explanatory statement, as required by the Listing Rules, to provide requisite information as to the proposed Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at Latest Practicable Date, there were a total of 620,944,000 Shares in issue.

Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 62,094,400 Shares which represents 10% of the aggregate number of Shares in issue (excluding treasury shares, if any) as at the date of passing such resolution.

3. REASONS FOR THE REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase the Shares on the Stock Exchange or any other stock exchange on which the Shares are listed. When exercising the Repurchase Mandate, the Directors may, subject to market conditions and the Company's capital management needs at the relevant time of the repurchases, resolve to cancel the Shares repurchased following settlement of any such repurchase or hold them as treasury shares. Such repurchases for cancellation may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. On the other hand, Shares repurchased and held by the Company as treasury shares may be resold on the market at market prices to raise funds for the Company, or transferred or used for other purposes, subject to compliance with the Articles and the applicable laws of the Cayman Islands and the Listing Rules. Share repurchases will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

4. FUNDING OF REPURCHASES

In repurchasing the Company's securities, the Company may only apply funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles, the Companies Act and other applicable laws of the Cayman Islands.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 31 December 2025, being the date of its latest audited consolidated financial statements. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

The highest and lowest prices at which the Shares (excluding treasury shares, if any) have been traded on the Stock Exchange in each of the twelve calendar months immediately preceding (and including) the Latest Practicable Date were as follows:

	Highest	**Lowest**
	HK$	*HK$*
April 2025	1.700	1.100
May 2025	1.700	1.664
June 2025	1.700	1.664
July 2025	1.700	1.700
August 2025	1.700	1.130
September 2025	1.400	1.200
October 2025	1.950	1.400
November 2025	2.080	1.400
December 2025	1.900	1.400
January 2026	2.050	0.580
February 2026	1.800	1.610
March 2026	1.990	1.620
April 2026 *(Note)*	1.990	1.990

Note: Up to the Latest Practicable Date

6. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

On the basis of the respective shareholding held by Sino-Coal Chemical Holding Group Limited ("**Sino-Coal Holding**") and Bloom Ocean Investments Limited ("**Bloom Ocean**") as at the Latest Practicable Date set out below, the exercise in full of the Repurchase Mandate may give rise to an obligation for Sino-Coal Holding and/or Bloom Ocean to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not have any present intention to exercise the proposed Repurchase Mandate to such an extent as would give rise to such an obligation.

Name	Number of Shares	Approximate percentage of existing shareholding	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Sino-Coal Holding	279,680,000 Shares *(Note 1)*	45.04%	50.05%
Bloom Ocean	180,320,000 Shares *(Note 2)*	29.04%	32.27%
Total:	460,000,000 Shares	74.08%	82.32%

Notes:

1. These Shares were registered in the name of and beneficially owned by Sino-Coal Holding (which is owned as to approximately 33.059% by Timely Moon Limited ("**Timely Moon**")). Timely Moon is wholly owned by Mr. Wang Zhihe.

2. These Shares were registered in the name of and beneficially owned by Bloom Ocean which is owned as to approximately 44.27% by Timely Moon and approximately 44.01% by Plenty Sun Limited.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below 25%.

7. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

8. GENERAL

The Directors will exercise the power of the Company to make repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands. Neither the explanatory statement set out in this Appendix I nor the Repurchase Mandate has any unusual features.

Following a repurchase of Shares, the Company may cancel any repurchased Shares and/or hold them as treasury shares subject to, among others, market conditions and its capital management needs at the relevant time of the repurchases, which may change due to evolving circumstances.

For any treasury shares of the Company deposited with CCASS pending resale on the Stock Exchange, the Company shall, upon approval by the Board, implement the below interim measures which include (without limitation):

(i) procuring its broker not to give any instructions to HKSCC to vote at general meetings for the treasury shares deposited with CCASS;

(ii) in the case of dividends or distributions (if any and where applicable), withdrawing the treasury shares from CCASS, and either re-register them in its own name as treasury shares or cancel them, in each case before the relevant record date for the dividend or distributions; and

(iii) taking any other measures to ensure that it will not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury shares.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell any Shares to the Company nor has any such core connected person undertaken not to sell any Shares held by him/her to the Company in the event that the Repurchase Mandate is granted.

The biographical details of the Directors eligible for re-election at the Annual General Meeting are set out below:

EXECUTIVE DIRECTOR

(1) Mr. Sun Zushan

Position and experience

Mr. Sun Zushan ("**Mr. Sun**"), aged 73, was appointed as a Director on 12 June 2014 and re-designated as executive Director on 20 June 2017. He was appointed as member of the remuneration committee on 20 June 2017.

Mr. Sun is also the chief operating officer of the Group, and is responsible for overall operational management of the Group. Mr. Sun is one of the founders of the Group. He has over 52 years of experience in operation, and over 24 years of experience in managing the business of manufacturing coal-based fertiliser. Mr. Sun joined the Group in July 1998. He was the general manager of Hebei Dongguang Chemical Co., Ltd.* (河北省東光化工有限責任公司) ("**Dongguang Chemical**") from March 2012 to December 2017. Mr. Sun was the deputy general manager of Dongguang Chemical from July 1998 to February 2012, the deputy factory director and director of Hebei Dongguang Huafei Factory* (河北省東光縣化肥廠) ("**Dongguang Huafei**") from May 1998 to June 1998, assistant factory director of Dongguang Huafei from March 1997 to April 1998, chief of sales division of Dongguang Huafei from April 1994 to February 1997, the director of the technology transformation office of Dongguang Huafei from April 1991 to April 1994, the chief of production division of Dongguang Huafei from June 1989 to April 1991, the chief of supply division of Dongguang Huafei from January 1989 to June 1989, the deputy branch chemical factory director of Dongguang Huafei from September 1986 to January 1989, the deputy chief of equipment division of Dongguang Huafei from July 1984 to August 1986, the deputy director of chemical workshop of Dongguang Huafei from September 1978 to June 1984, the repairman of repair workshop of Dongguang Huafei from May 1974 to August 1978 and the operator of transform workshop of Dongguang Huafei from June 1970 to May 1974. He is also a director of certain subsidiaries of the Group.

Mr. Sun has not held other held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Mr. Sun has entered into a service contract with the Company in relation to his appointment as an executive Director for a term of one year and shall be renewed and extended automatically for successive terms of one year upon expiry of the then current term until terminated by either party by giving not less than three months' written notice to the other. Mr. Sun is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles.

Relationships

Mr. Sun is a director of Sino-Coal Holding (a controlling Shareholder). Sino-Coal Holding is owned as to approximately 6.908% by Power Moon Limited, a company wholly owned by Mr. Sun. Save as disclosed, as far as the Directors are aware, Mr. Sun does not have any relationships with other Directors, senior management of the Group, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Sun was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the aforementioned service agreement and as at the Latest Practicable Date, Mr. Sun's emoluments are set out below:

(a) Mr. Sun is entitled to an annual salary of HK$360,000. Such salary is subject to an annual increment at the discretion of the Directors of not more than 10% of the average annual salary for the 12 months immediately prior to such increase.

(b) Mr. Sun is entitled to a discretionary management bonus in such sum as the Board may in its absolute discretion determine provided that the aggregate amount of bonuses payable to all the executive Directors for the time being of the Company shall not exceed 10% of the audited consolidated or combined net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company.

The above emoluments of Mr. Sun have been determined with reference to his role and duties, experience and responsibilities as well as the prevailing market conditions and are subject to revision in future by the decision of the Board based on the recommendation of the remuneration committee of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTOR

(1) Ms. Lin Xiuxiang

Position and experience

Ms. Lin Xiuxiang ("**Ms. Lin**"), aged 63, was appointed as an independent non-executive Director, chairlady of the remuneration committee and member of each of the audit committee, the nomination committee and the corporate governance committee of the Company on 20 June 2017.

Ms. Lin has over 37 years of experience in the education field in financial management and accounting. She has been the director of the department of financial management of the school of accountancy of the Central University of Finance and Economics (中央財經大學) ("**CUFE**") since October 2003 to February 2023 and a professor in the faculty of accounting and financial management of the school of accountancy of CUFE since September 2006. She has also been an independent director and a director of the audit committee of Minsheng Securities (民生證券股份有限公司) since August 2012 to August 2018. She has also been an associate professor in the faculty of financial management of the school of accountancy of CUFE from October 2003 to August 2006, an associate professor in the faculty of finance of CUFE from September 1999 to September 2003, a lecturer in financial management of the faculty of finance of CUFE from May 1996 to August 1999, a lecturer in finance and accounting of the faculty of finance of Central School of Finance* (中央財政金融學院) (currently known as CUFE) from November 1992 to April 1996 and a teaching assistant in finance and accounting of the faculty of finance of Central School of Finance from August 1988 to October 1992. Ms. Lin obtained a doctoral degree in economics from CUFE in June 2006. She also obtained a master's degree in economics from the Central School of Finance in July 1988.

Ms. Lin has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the letter of appointment issued by the Company to Ms. Lin, Ms. Lin has been appointed for a term of three years and shall be automatically renewable for successive terms of two years upon the expiry of the current term unless terminated by either party giving not less than three months' notice in writing to the other. Ms. Lin is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, Ms. Lin does not have any relationships with other Directors, senior management of the Group, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Lin was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the aforementioned letter of appointment and as at the Latest Practicable Date, Ms. Lin is entitled to an annual director's fee of HK$180,000, which has been determined with reference to her role and duties, experience and responsibilities as well as the prevailing market conditions and are subject to revision in future by the decision of the Board based on the recommendation of the remuneration committee of the Company.

(2) Mr. Liu Jincheng

Position and experience

Mr. Liu Jincheng ("**Mr. Liu**"), aged 62, was appointed as an independent non-executive Director and member of each of the audit committee, the remuneration committee and nomination committee of the Company on 20 June 2017.

Mr. Liu has over 28 years of experience in operation and management in chemical industry. He has been the Head of Technical Committee of Hebei Yangmei Zhengyuan Chemical Group Co., Ltd* (河北陽煤正元化工集團有限公司), which principally engages in the manufacture of fertiliser and the research and development of equipment for the production of fertiliser, since September 2019 to August 2023, the vice chairman of the board of Hebei Yangmei Zhengyuan Chemical Group Co., Ltd* (河北陽煤正元化工集團有限公司) from January 2010 to September 2019 and the general manager of Cangzhou Zhengyuan Fertiliser Co., Ltd* (滄州正元化肥有限公司), which is principally engaged in the manufacture of fertiliser, from October 2013 to September 2017. He has also been the president of Hebei Zhengyuan Chemical Group Joint Stock Co., Ltd* (河北正元化工集團股份有限公司) (formerly known as Hebei Zhengyuan Chemical Group Co., Ltd* (河北正元化工集團有限公司)), which principally engages in the manufacture of fertiliser and the research and development of equipment for the production of chemical, from April 2006 to January 2010, the president of Hebei Zhengyuan Investment Co., Ltd* (河北正元投資有限責任公司), which principally engages in the operation and investment in fertiliser businesses, from April 2005 to April 2006, and the technology manager of Shijiazhuang Zhengyuan Gaoxiao Tower Development Company* (石家莊正元高效塔器開發公司), which principally engages in the manufacture of equipment for the production of chemical, from October 1992 to April 2005. Mr. Liu obtained a master's degree in chemical engineering from the Hebei Faculty of Technology* (河北工學院) (currently known as Hebei University of Technology (河北工業大學)) in July 1988.

Mr. Liu has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the letter of appointment issued by the Company to Mr. Liu, Mr. Liu has been appointed for a term of three years and shall be automatically renewable for successive terms of two years upon the expiry of the current term unless terminated by either party giving not less than three months' notice in writing to the other. Mr. Liu is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, Mr. Liu does not have any relationships with other Directors, senior management of the Group, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Liu was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the aforementioned letter of appointment and as at the Latest Practicable Date, Mr. Liu is entitled to an annual director's fee of HK$180,000, which has been determined with reference to his role and duties, experience and responsibilities as well as the prevailing market conditions and are subject to revision in future by the decision of the Board based on the recommendation of the remuneration committee of the Company.

GENERAL

As far as the Directors are aware and save as disclosed above, there are no other matters concerning any of the above Directors that need to be brought to the attention of the Shareholders in relation to their re-election and there is no information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

DONGGUANG CHEMICAL LIMITED
東光化工有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1702)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Dongguang Chemical Limited ("**Company**") will be held as a physical meeting at 10:00 a.m. at Chengdong Industrial Zone, Dongguang County, Hebei Province, the PRC on Friday, 22 May 2026 for the following purposes:

1. to receive and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company and the auditors of the Company for the year ended 31 December 2025;

2. to declare a final dividend for the year ended 31 December 2025 of HK4 cents per share of US$0.0001 each in the capital of the Company;

3. (a) to re-elect, each as a separate resolution, the following person as a director of the Company:

   (i) Mr. Sun Zushan;

   (ii) Ms. Lin Xiuxiang and

   (iii) Mr. Liu Jincheng;

   (b) to authorise the board of directors of the Company to fix the directors' remuneration;

4. to re-appoint BDO Limited as the auditors of the Company and to authorise the board of directors of the Company to fix their remuneration;

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

5. "**THAT**:

(a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**"), the exercise by the directors of Dongguang Chemical Limited ("**Company**") during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares (each, a "**Share**") (including any sale or transfer of treasury shares (which shall have the meaning ascribed to it under the Listing Rules) out of treasury if permitted under the Listing Rules) of US$0.0001 each in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the directors of the Company (including any sale or transfer of treasury shares out of treasury) pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); or (ii) the exercise of any options granted under all share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares shall not exceed the aggregate of:

(aa) 20 per cent. of the aggregate number of Shares in issue (excluding treasury shares, if any) on the date of the passing of this resolution; and

(bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate number of Shares purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate number of Shares in issue (excluding treasury shares, if any) on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purposes of this resolution:

"**Relevant Period**" means the period from the date of the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law or the Companies Act, Chapter 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands to be held; or

(iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution;

"**Rights Issue**" means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the directors of the Company to holders of Shares on the Company's register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong)."

6. "**THAT**:

(a) subject to paragraph (b) below, the exercise by the directors of Dongguang Chemical Limited ("**Company**") during the Relevant Period (as defined in paragraph (c) below) of all powers of the Company to purchase shares (each, a "**Share**") of US$0.0001 each in the capital of the Company on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**"), or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and, if permitted under the Listing Rules, to determine whether such Shares repurchased shall be held as treasury shares by the Company or otherwise be cancelled, subject to and in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Act, Chapter 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

(b) the aggregate number of Shares which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate number of Shares in issue (excluding treasury shares, if any) as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(c) for the purposes of this resolution, "**Relevant Period**" means the period from the date of the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law or the Companies Act, Chapter 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands to be held; or

(iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution."

7. "**THAT** conditional on the passing of resolutions numbered 5 and 6 above, the general mandate granted to the directors of Dongguang Chemical Limited ("**Company**") pursuant to paragraph (a) of resolution numbered 5 above be and it is hereby extended by the addition to the aggregate number of the shares (each, a "**Share**") of US$0.0001 each in the capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted (or sold or transferred out of treasury) by the directors of the Company pursuant to or in accordance with such general mandate of an amount representing the aggregate number of Shares purchased or agreed to be purchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 6 above."

By order of the Board
Dongguang Chemical Limited
東光化工有限公司
Wang Chunmeng
Chairman

The PRC, 22 April 2026

Registered office:
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
17/F, Tower I,
Grand Century Place
193 Prince Edward Road West
Mongkok, Kowloon
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.

2. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the offices of the Company's Hong Kong branch registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 48 hours before the time of the above meeting (i.e. by 10:00 a.m. on Wednesday, 20 May 2026) or any adjourned meeting.

3. For the purpose of determining members who are qualified for attending the annual general meeting, the register of members of the Company will be closed from Tuesday, 19 May 2026 to Friday, 22 May 2026, both days inclusive, during which no transfer of share will be effected. In order to qualify for attending the annual general meeting, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Company's branch register and transfer office in Hong Kong at the address stated in note 2 above not later than 4:30 p.m. on Monday, 18 May 2026 for registration. The record date for determining members who are qualified for attending the annual general meeting shall be Friday, 22 May 2026.

4. For the purpose of determining members who are qualified for the proposed final dividend, conditional on the passing of resolution no. 2 set out in this notice, the register of members of the Company will be closed from Friday, 29 May 2026 to Tuesday, 2 June 2026, both days inclusive, during which no transfer of Share will be effected. In order to qualify for the proposed final dividend, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Company's branch register and transfer office in Hong Kong at the address stated in note 2 above not later than 4:30 p.m. on Thursday, 28 May 2026 for registration. The record date for determining members who are qualified for the proposed final dividend shall be Tuesday, 2 June 2026.

5. In relation to proposed resolutions numbered 5 and 7 above, approval is being sought from the shareholders of the Company for the grant to the directors of the Company a general mandate to authorise the allotment, issue or dealing (including any sale or transfer of treasury shares out of treasury) with Shares under the Listing Rules. The directors of the Company wish to state that they will exercise the powers conferred thereby to allot and issue Shares in circumstances which they deem appropriate for the benefit of the Company and its shareholders as a whole.

6. In relation to proposed resolution numbered 6 above, the directors of the Company wish to state that they will exercise the powers conferred thereby to purchase Shares in circumstances which they deem appropriate for the benefit of the Company and its shareholders as a whole. An explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in the Appendix I to the circular of which this notice of the Annual General Meeting forms part.

7. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.

8. In the case of joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto to, but if more than one of such joint holders are present at the above meeting, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such Share shall alone be entitled to vote in respect thereof.

9. References to time and dates in this notice are to Hong Kong time and dates.