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中海石油化学股份有限公司
China BlueChemical Ltd.*

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

**(Stock Code: 3983)**

# VOLUNTARY ANNOUNCEMENT
# NEW NATURAL GAS-TO-METHANOL PROJECT

## INVESTMENT IN AND CONSTRUCTION OF THE PROJECT

The Board is pleased to announce that, in order to strengthen the comprehensive utilization of natural gas resources, develop the natural gas chemical industry and enhance value realization across the entire industry chain, the Board has considered and approved the feasibility study report on the Company's 1,200,000 tonnes/year natural gas-to-methanol project. The Project will be located in Dongfang City, Hainan Province, the PRC, with Fudao Chemical, a wholly-owned subsidiary of the Company, as the implementation entity.

It is proposed that a new set of natural gas-to-methanol facility with an annual production capacity of 1,200,000 tonnes as well as supporting utilities and auxiliary facilities will be constructed under the Project. The main raw material of the Project is natural gas, with an annual utilization volume of approximately 1,716,000,000 cubic meters. Upon completion and commissioning of the Project, the utilization scale of natural gas will reach over 5,000,000,000 cubic meters per year, and the total annual methanol production capacity of the Company will reach 2,600,000 tonnes.

The Project will be funded by internal resources of the Company and external bank loans.

Construction of the Project is scheduled to commence in December 2027, and the Project is expected to be formally put into operation in December 2029.

## REASONS FOR AND BENEFITS OF THE PROJECT

The Project conforms to national industrial policy guidance, and contributes to establishing a full industry chain pattern for the natural gas chemical industry. The Project has secured upstream natural gas resources and will fully leverage the competitive advantages arising from the CNOOC Group's synergies across its upstream and downstream operations. There is a certain supply shortfall in the market where the Project is located, and the Project therefore has promising market prospects. Upon completion, the Project will afford differentiated competitive advantages featuring natural gas resources to the Company, consolidate the Company's market position as one of the largest methanol suppliers in South China, and provide a raw material basis for the downstream layout of high-end new materials and high-value chemicals.

Therefore, the Directors are of the view that the terms of the investment in and construction of the Project are fair and reasonable, and are in the best interests of the Company and Shareholders as a whole.

## GENERAL INFORMATION

The Company is one of the largest state-owned chemical fertiliser producers and the leading methanol producer in China. Headquartered in Beijing, the Company's production facilities are located in Hainan Province, Hubei Province and Heilongjiang Province. Its total designed annual production capacity amounts to 1,840,000 tonnes of urea, 1,000,000 tonnes of phosphate and compound fertilisers, 1,400,000 tonnes of methanol, and 270,000 tonnes of Acrylonitrile and relating products. As a subsidiary of China National Offshore Oil Corporation, the competitive advantages owned by the Company have laid a solid foundation for its robust development of chemical fertilisers and chemical businesses.

Fudao Chemical was established on 31 December 2001 and is a wholly-owned subsidiary and the largest production base of the Company. Utilizing natural gas as its resource, Fudao Chemical currently possesses two sets of granular urea and two sets of methanol production facilities, with an annual urea production capacity of 1,320,000 tonnes and an annual methanol production capacity of 1,400,000 tonnes, making it one of the major methanol producers in South China.

## DEFINITIONS

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

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| "Board" | the board of Directors |
| "CNOOC" | China National Offshore Oil Corporation (中國海洋石油集團有限公司*), a state-owned company established in the PRC which is also the controlling shareholder of the Company |

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| "Company" | China BlueChemical Ltd.（中海石油化學股份有限公司*）, a company incorporated in the PRC and the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 3983) |
| "Directors" | the directors of the Company |
| "Fudao Chemical" | Offshore Oil Fudao Co., Ltd.（海洋石油富島有限公司*）, a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company |
| "HK$" | Hong Kong dollars, the lawful currency of Hong Kong |
| "Listing Rules" | The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| "PRC" | the People's Republic of China |
| "Project" | the 1,200,000 tonnes/year natural gas-to-methanol project approved for implementation by the Company through Fudao Chemical in Dongfang City, Hainan Province, the PRC |
| "RMB" | Renminbi, the lawful currency of the PRC |
| "Shareholder(s)" | shareholders of the Company |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "%" | per cent |

By order of the Board
**China BlueChemical Ltd.***
**Hou Xiaofeng**
*Chairman*

Beijing, the PRC
30 October 2026

*As at the date of this announcement, the executive directors of the Company are Mr. Hou Xiaofeng and Mr. Rao Shicai, the non-executive directors of the Company are Ms. Shao Lihua and Mr. He Qizhong, and the independent non-executive directors of the Company are Mr. Lin Feng, Mr. Xie Dong and Mr. Yang Wanhong.*

* *For identification purpose only*