

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3983)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

1. Revenue amounted to RMB12,034 million
2. Gross profit amounted to RMB1,571 million
3. Profit attributable to owners of the Company amounted to RMB974 million
4. Basic earnings per share amounted to RMB0.21
5. Proposed final dividends amounted to RMB0.112 per share

(I) AUDITED CONSOLIDATED FINANCIAL STATEMENTS**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME***For the year ended 31 December 2025*

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	4	12,034,437	11,946,459
Cost of sales	7	<u>(10,463,894)</u>	<u>(10,241,839)</u>
Gross profit		1,570,543	1,704,620
Other income	4	269,270	105,610
Selling and distribution costs		(80,369)	(91,335)
Administrative expenses		(700,362)	(629,079)
Other expenses		(90,844)	(17,899)
Change in fair value of financial assets at fair value through profit or loss	7	32,674	69,399
Finance income	5	331,181	351,080
Finance costs	6	(45,853)	(52,759)
Provision for impairment loss on property, plant and equipment	7	(39,864)	–
Provision for expected credit losses (“ECLs”) allowances	7	–	(17,840)
Exchange losses, net		(4,469)	(3,586)
Share of profits of joint ventures		144,925	45,775
Share of (losses) profits of associates		<u>(20,998)</u>	<u>3,235</u>
Profit before income tax	7	1,365,834	1,467,221
Income tax expenses	8	<u>(249,796)</u>	<u>(316,092)</u>
Profit for the year		<u>1,116,038</u>	<u>1,151,129</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 December 2025

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Other comprehensive income (loss):			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement gain (loss) on provision for retirement benefit		1,133	(4,755)
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		(144)	132
Share of other comprehensive income (loss) of joint ventures		5,192	(5,203)
Share of other comprehensive (loss) income of associates		(50)	30
		4,998	(5,041)
Other comprehensive income (loss) for the year, net of tax		6,131	(9,796)
Total comprehensive income for the year		1,122,169	1,141,333
Profit attributable to:			
Owners of the Company		974,441	1,071,273
Non-controlling interests		141,597	79,856
		1,116,038	1,151,129
Total comprehensive income attributable to:			
Owners of the Company		980,572	1,061,477
Non-controlling interests		141,597	79,856
		1,122,169	1,141,333
Earnings per share attributable to owners of the Company			
– Basic and diluted for the year (RMB per share)	<i>10</i>	0.21	0.23

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 RMB '000	2024 RMB '000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		6,982,712	7,177,198
Mining rights		126,321	126,839
Prepaid lease payments		317,989	332,968
Investment properties		59,993	64,486
Intangible assets		117,336	129,691
Interests in joint ventures	<i>11</i>	517,379	333,906
Interests in associates	<i>12</i>	104,241	127,404
Financial asset at fair value through other comprehensive income		600	600
Deferred tax assets		164,177	123,890
Other long-term prepayment for property, plant and equipment		74,323	94,332
Loan receivable		—	208,252
		8,465,071	8,719,566
CURRENT ASSETS			
Inventories		1,042,803	1,124,718
Trade receivables	<i>13</i>	62,806	23,621
Bills receivable		141,159	80,349
Contract assets		16,325	12,783
Prepayments, deposits and other receivables		738,815	436,808
Loan receivable		208,252	—
Financial assets at fair value through profit or loss		1,166,305	1,830,485
VAT recoverable		128,870	156,022
Pledged bank deposits		13,292	11,715
Restricted bank deposits		17,402	—
Time deposits with original maturity over three months		12,100,000	11,000,000
Cash and cash equivalents		736,574	679,928
		16,372,603	15,356,429
TOTAL ASSETS		24,837,674	24,075,995

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*As at 31 December 2025*

		2025	2024
	<i>Notes</i>	<i>RMB '000</i>	<i>RMB '000</i>
EQUITY			
CAPITAL AND RESERVES			
Issued capital		4,610,000	4,610,000
Reserves		13,705,641	13,241,389
Proposed dividends	9	516,320	556,888
		<hr/>	<hr/>
Equity attributable to owners of the Company		18,831,961	18,408,277
Non-controlling interests		1,135,781	1,098,684
		<hr/>	<hr/>
TOTAL EQUITY		19,967,742	19,506,961
		<hr/> <hr/>	<hr/> <hr/>
LIABILITIES			
NON-CURRENT LIABILITIES			
Provision for retirement benefit		271,261	252,591
Interest-bearing bank and other borrowings		844,389	1,626,693
Lease liabilities		32,606	29,680
Deferred tax liabilities		22,205	20,138
Deferred revenue		134,226	125,348
Other long-term liabilities		19,051	1,636
		<hr/>	<hr/>
		1,323,738	2,056,086
		<hr/>	<hr/>
CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		1,205,633	434,410
Trade payables	14	1,112,792	1,067,996
Contract liabilities		565,713	398,273
Other payables and accruals		542,593	544,129
Lease liabilities		29,376	28,341
Income tax payable		90,087	39,799
		<hr/>	<hr/>
		3,546,194	2,512,948
		<hr/>	<hr/>
TOTAL LIABILITIES		4,869,932	4,569,034
		<hr/> <hr/>	<hr/> <hr/>
TOTAL EQUITY AND LIABILITIES		24,837,674	24,075,995
		<hr/> <hr/>	<hr/> <hr/>
NET CURRENT ASSETS		12,826,409	12,843,481
		<hr/> <hr/>	<hr/> <hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		21,291,480	21,563,047
		<hr/> <hr/>	<hr/> <hr/>
NET ASSETS		19,967,742	19,506,961
		<hr/> <hr/>	<hr/> <hr/>

(II) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

China BlueChemical Ltd. (the “Company”) was established in the People’s Republic of China (the “PRC”) on 3 July 2000 as a limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The registered office of the Company is located at No.3 Park Third Road, Basuo Town, Dongfang City, Hainan Province, the PRC.

The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are principally engaged in the manufacture and sale of urea, methanol, phosphorus fertilisers which include mono-ammonium phosphate (“MAP”) and diammonium phosphate (“DAP”), compound fertilisers and acrylonitrile.

The ultimate holding company of the Company is China National Offshore Oil Corporation (“CNOOC”), a state-owned enterprise established in the PRC.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the Group, except for the subsidiary incorporated in Hong Kong, and all amounts are rounded to the nearest thousand (“RMB’000”) except otherwise indicated.

2. PRINCIPAL ACCOUNTING POLICIES

(a) Adoption of revised IFRS Accounting Standards

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2024 consolidated financial statements except for the adoption of the following revised IFRS Accounting Standards that are relevant to the Group and effective from the current year:

Amendments to IAS 21

Lack of Exchangeability

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

(b) Future changes in IFRS Accounting Standards

At the date of authorisation of these consolidated financial statements, the following new/revised IFRS Accounting Standards that are not yet effective for the current year, which the Group has not early adopted.

Amendments to IFRS 9 and IFR 7	Amendments to the Classification and Measurement of Financial Instruments ^[1]
Annual Improvements to IFRS Accounting Standards	Volume 11 ^[1]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ^[1]
IFRS 18	Presentation and Disclosure in Financial Statements ^[2]
IFRS 19	Subsidiaries without Public Accountability: Disclosures ^[2]
Amendments to IAS 21	Translation to Hyperinflationary Presentation Currency ^[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ^[3]

^[1] Effective for annual periods beginning on or after 1 January 2026

^[2] Effective for annual periods beginning on or after 1 January 2027

^[3] The effective date to be determined

The directors do not anticipate that the adoption of the new/revised IFRS Accounting Standards in future periods will have any material impact on the results of the Group.

3. OPERATING SEGMENT INFORMATION

Information reported to the Chief Executive Officer, being the chief operating decision maker, for the purpose of resource allocation and assessment of segment performance focuses on types of goods and services delivered or produced. The measure reported for resources allocation and segment's performance assessment is the same as last annual financial statements. Hence, the Group has reportable operating segments as follows:

- (a) the urea segment is engaged in the manufacture and sale of urea;
- (b) the methanol segment is engaged in the manufacture and sale of methanol;
- (c) the phosphorus and compound fertiliser segment is engaged in the manufacture and sale of phosphorus fertilisers which include Bulk Blending ("BB") fertiliser, MAP, DAP and compound fertilisers;
- (d) the acrylonitrile segment is engaged in the manufacture and sale of acrylonitrile and related products; and
- (e) the "others" segment mainly comprises segments engaged in provision of port operations and transportation services and trading of fertilisers and chemicals.

Segment performance is evaluated based on segment result and is measured consistently with profit before income tax in the consolidated financial statements. However, the Group's finance income, finance costs, exchange losses, net, other expenses, share of results of associates and joint ventures, net impairment loss and provision for ECLs allowance on trade and other receivables, change in fair value of financial assets at fair value through profit or loss and income tax expenses are managed on a group basis and are not allocated to operating segments.

Inter-segment sales are determined on an arm's length basis in a manner similar to transactions with third parties.

	Urea RMB'000	Methanol RMB'000	Phosphorus and compound fertiliser RMB'000	Acrylonitrile RMB'000	Others RMB'000	Elimination RMB'000	Total RMB'000
Year ended 31 December 2025							
Segment revenue:							
Sales to external customers	3,301,789	3,105,809	3,046,490	2,163,376	416,973	–	12,034,437
Inter-segment sales	–	–	–	–	188,542	(188,542)	–
Total	<u>3,301,789</u>	<u>3,105,809</u>	<u>3,046,490</u>	<u>2,163,376</u>	<u>605,515</u>	<u>(188,542)</u>	<u>12,034,437</u>
Segment profit (loss) before income tax	<u>276,511</u>	<u>798,993</u>	<u>62,009</u>	<u>14,841</u>	<u>(93,272)</u>	<u>–</u>	<u>1,059,082</u>
Interest and unallocated income							363,855
Corporate and other unallocated expenses							(176,561)
Exchange losses, net							(4,469)
Share of profits of joint ventures							144,925
Share of losses of associates							(20,998)
Profit before income tax							<u>1,365,834</u>
As at 31 December 2025							
Total segment assets	3,597,998	2,545,024	2,296,478	2,185,258	13,668,810	(242,291)	24,051,277
Unallocated assets							<u>786,397</u>
Total assets							<u>24,837,674</u>
Total segment liabilities	1,403,179	478,111	864,625	1,792,621	280,221	(242,291)	4,576,466
Unallocated liabilities							<u>293,466</u>
Total liabilities							<u>4,869,932</u>
Other segment information							
Depreciation and amortisation	212,637	35,762	130,048	170,338	94,701	–	643,486
Impairment loss on property, plant and equipment	–	–	–	–	39,864	–	39,864
Gain on disposal of property, plant and equipment, intangible assets and prepaid lease payments	–	(2,803)	–	–	(179,110)	–	(181,913)
Capital expenditure*	<u>147,057</u>	<u>52,615</u>	<u>187,005</u>	<u>7,690</u>	<u>81,117</u>	<u>–</u>	<u>475,484</u>

* Capital expenditure consists of additions to property, plant and equipment, prepaid lease payments and intangible assets.

	Urea	Methanol	Phosphorus and compound fertiliser (note (c))	Acrylonitrile	Others (note (c))	Elimination	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2024							
Segment revenue:							
Sales to external customers	3,710,198	3,090,713	2,758,932	2,010,636	375,980	–	11,946,459
Inter-segment sales	–	–	–	–	183,445	(183,445)	–
Total	<u>3,710,198</u>	<u>3,090,713</u>	<u>2,758,932</u>	<u>2,010,636</u>	<u>559,425</u>	<u>(183,445)</u>	<u>11,946,459</u>
Segment profit (loss) before income tax	<u>503,098</u>	<u>669,433</u>	<u>73,632</u>	<u>(2,393)</u>	<u>(153,954)</u>	<u>–</u>	<u>1,089,816</u>
Interest and unallocated income							420,479
Corporate and other unallocated expenses							(88,498)
Exchange losses, net							(3,586)
Share of profits of joint ventures							45,775
Share of profits of associates							<u>3,235</u>
Profit before income tax							<u>1,467,221</u>
As at 31 December 2024							
Total segment assets	3,961,610	1,870,285	1,891,518	2,367,111	13,622,453	(222,782)	23,490,195
Unallocated assets							<u>585,800</u>
Total assets							<u>24,075,995</u>
Total segment liabilities	1,463,528	357,835	446,879	1,924,101	326,744	(222,782)	4,296,305
Unallocated liabilities							<u>272,729</u>
Total liabilities							<u>4,569,034</u>
Other segment information							
Depreciation and amortisation	252,709	56,227	123,223	160,364	73,525	–	666,048
Provision for ECLs allowance on trade and other receivables	–	–	–	–	17,840	–	17,840
Capital expenditure*	<u>229,827</u>	<u>40,312</u>	<u>182,647</u>	<u>9,913</u>	<u>206,234</u>	<u>–</u>	<u>668,933</u>

* Capital expenditure consists of additions to property, plant and equipment, prepaid lease payments and intangible assets.

1. Inter-segment revenues are eliminated on consolidation.
2. Segment assets include all assets but excludes deferred tax assets, financial asset at fair value through other comprehensive income and interests in joint ventures and associates.
3. Segment liabilities do not include deferred tax liabilities and provision for retirement benefit.

Geographic information

(a) Revenue from external customers, based on their locations

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Sales to external customers		
– The PRC	12,029,054	11,945,384
– Others	5,383	1,075
	<u>12,034,437</u>	<u>11,946,459</u>

(b) Non-current assets

All of the non-current assets are located in the PRC.

(c) Comparative figures information

Having considered the expansion of and increase in the results attributable to the Group from BB fertiliser business, the management of the Company determined to reclassify BB fertiliser business from others segment to phosphorus and compound fertiliser segment. The re-presentation of comparative information of segment revenue and segment results, where necessary, to conform to the basis of presentation and the classification adopted in the current year. As a result, the segment revenue from phosphorus and compound fertiliser segment and others segment were increased and decreased by RMB128,681,000 (2024: RMB71,940,000) respectively; and the segment profit (loss) before income tax from phosphorus and compound fertiliser segment and others segment was increased and decreased by RMB15,846,000 (2024: RMB2,486,000) respectively for the year ended 31 December 2025 and 31 December 2024.

Information about major customer

No single customer contributed 10% or more to the Group's revenue for both years.

4. REVENUE AND OTHER INCOME

Revenue, which is the Group's turnover, represents the invoiced values of goods sold, net of value added tax, and after discounts, and the value of services rendered during the year.

An analysis of revenue and other income is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue		
Sale of goods, recognised at a point in time*	11,691,927	11,570,480
Rendering of services, recognised over time*	342,510	375,979
	<u>12,034,437</u>	<u>11,946,459</u>
Other income		
Income from sale of other materials, recognised at a point in time*	20,168	26,698
Income from rendering of other services, recognised over time*	207	6,351
Gross rental income	13,466	10,698
Gain on disposal of property, plant and equipment	11,133	–
Gain on disposal of prepaid lease payment (<i>note a</i>)	171,319	–
Government grants	43,094	45,395
Indemnities received	3,898	4,646
Sundry income	5,985	11,822
	<u>269,270</u>	<u>105,610</u>

Note a:

The gain on disposal of prepaid lease payment arose from the resumption of certain leasehold lands owned by the Group by the local government for the urban renewal projects in Hainan.

* Revenue from contracts with customer within the scope of IFRS 15.

5. FINANCE INCOME

Finance income represents interest income on bank balances, financial institution deposits, and loans to an associate during the years.

6. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on bank and other borrowings	48,008	52,803
Interest on lease liabilities	1,540	1,560
	<u>49,548</u>	<u>54,363</u>
Less: Borrowing costs capitalised into property, plant and equipment	(3,695)	(1,604)
	<u>45,853</u>	<u>52,759</u>

7. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging (crediting):

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost of inventories sold	10,210,746	9,916,085
Reversal of write-down of inventories	(335)	(721)
Cost of services provided	<u>253,483</u>	<u>326,475</u>
Cost of sales recognised as expenses	<u>10,463,894</u>	<u>10,241,839</u>
Depreciation and amortisation*:		
<i>Depreciation of property, plant and equipment</i>		
– Owned property, plant and equipment	577,511	599,930
– Right-of-use assets included:		
– Buildings	29,796	27,615
– Motor vehicles	2,169	163
Amortisation of mining rights	518	1,274
Depreciation of prepaid lease payments	11,061	9,807
Depreciation of investment properties	4,493	4,493
Amortisation of intangible assets	<u>17,938</u>	<u>22,766</u>
	<u>643,486</u>	<u>666,048</u>
Provision for impairment loss on property, plant and equipment	39,864	–
Provision for ECLs allowance on trade receivables	–	728
Provision for ECLs allowance on other receivables	–	17,112
	<u>39,864</u>	<u>17,840</u>
Auditors' remuneration:		
– Audit services	1,700	1,700
– Other services	1,300	1,570
Research and development costs	3,175	–
Loss on disposal on intangible assets	539	3,544
Employee benefit expense (including directors' and supervisors' remunerations):		
– Wages and salaries	798,694	864,443
– Defined contribution pension scheme	256,182	251,861
– Early retirement benefits and provision for post-employment allowances	52,008	32,772
– Housing fund	91,386	88,315
– Other benefits	<u>90,030</u>	<u>90,562</u>

* Depreciation and amortisation included in “cost of sales”, “selling and distribution costs” and “administrative expenses” amounting to approximately RMB569,656,000 (2024: RMB592,949,000), RMB999,000 (2024: RMB1,074,000) and RMB72,831,000 (2024: RMB72,025,000) respectively in the consolidated statement of comprehensive income.

8. INCOME TAX EXPENSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax		
PRC Enterprise Income Tax	294,585	272,987
(Over) Under provision in respect of prior year	<u>(6,569)</u>	<u>8,165</u>
	288,016	281,152
(Credit) Charge to deferred tax	<u>(38,220)</u>	<u>34,940</u>
	<u><u>249,796</u></u>	<u><u>316,092</u></u>

The Group is subject to income tax on an entity basis on the profit arising in or derived from the tax jurisdictions in which the subsidiaries of the Group are domiciled and operate.

(a) Enterprise Income Tax (“EIT”)

Under the Enterprise Income Tax Law of the PRC (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2024: 25%). Certain subsidiaries located in Hainan that are engaged in encouraged industries in Hainan Free Trade Port and have a practical operational record are entitled to a reduced enterprise income tax rate of 15% (2024: 15%).

(b) Hong Kong Profits Tax

Hong Kong Profits Tax has not been provided as the Group had no assessable profits for both years.

9. PROPOSED DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Proposed dividends – RMB0.112 (2024: RMB0.1208) per ordinary share	<u>516,320</u>	<u>556,888</u>

The proposed final dividend for the year ended 31 December 2024 was approved at the annual general meeting on 29 May 2025. Proposed final dividend for the year ended 31 December 2025 is subject to the approval of the Company's shareholders at the forthcoming 2025 annual general meeting.

Upon listing of the Company's shares on the Stock Exchange, the Company may not distribute dividends exceeding the lower of the profit after tax as determined under Chinese Accounting Standards for Business Enterprises ("CAS") and IFRS Accounting Standards.

Pursuant to the State Administration of Taxation Circular Guoshuihan [2008] No. 897, the Company is required to withhold a 10% enterprise income tax when it distributes dividends to its non-resident enterprise shareholders out of profit earned in 2008 and beyond. In respect of all shareholders whose names appear on the Company's register of members who are not individuals, which are considered as non-resident enterprise shareholders, the Company will distribute the dividend after deducting enterprise income tax of 10%.

10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings		
Profits for the year attributable to owners of the Company	<u>974,441</u>	<u>1,071,273</u>
	Number of shares	Number of shares
	2025 '000	2024 '000
Shares		
Number of shares in issue during the year	<u>4,610,000</u>	<u>4,610,000</u>

The Company did not have any potential ordinary shares outstanding to be issued during the years ended 31 December 2025 and 2024. Diluted earnings per share is equal to basic earnings per share.

11. INTERESTS IN JOINT VENTURES

	2025 RMB '000	2024 RMB '000
Cost	339,699	266,199
Share of post-acquisition profits and other comprehensive income, net of dividends received	177,680	67,707
	517,379	333,906

The joint ventures are accounted for using the equity method in the consolidated financial statements. Particulars of the joint ventures of the Group at the end of the reporting period are set out as follows:

Name of the entity	Place and date of incorporation and place of operation	Registered capital '000	Direct	Percentage of equity interest attributable to the Company 2025 %	Principal activities
貴州錦麟化工有限責任公司 (transliterated as Guizhou Jinlin Chemical Co., Ltd.) (Notes (i, ii))	The PRC, 12 April 2007	RMB584,221	Direct	33.99 (2024: 33.99)	Phosphorus mining and processing, manufacturing and sales of phosphorus ore and chemical products
CBC (Canada) Holding Corp. ("CBC (Canada)") (中海化學(加拿大)控股公司) (Notes (iii), (iv))	Canada, 28 May 2013	CAD24,000	Direct	60.00 (2024: 60.00)	Investment holding
海南八所港勞動服務有限公司 (transliterated as Hainan Basuo Port Labour Service Limited) (Notes (i, ii))	The PRC, 24 April 2005	RMB5,000	Indirect	36.56 (2024: 36.56)	Provision of overseas shipping services
中國八所外輪代理有限公司 (transliterated as China Basuo Overseas Shipping Agency Co., Ltd.) (Notes (i, ii))	The PRC, 16 October 2000	RMB1,800	Indirect	36.56 (2024: 36.56)	Provision of overseas shipping services
湖北瓮福海裕氟硅科技有限公司 (transliterated as Hubei Wengfu Haiyu Fluorosilicon New Material Co., Ltd ("Hubei Wengfu") (Notes (ii, v))	The PRC, 30 September 2025	RMB150,000	Indirect	39.19 (2024: N/A)	Manufacturing and sales of high-value fluorochemicals

Notes:

- (i) These entities established in the PRC are domestic limited liability companies.
- (ii) The English translation of the company names of the companies established in the PRC is for reference only. The official names of these joint ventures are in Chinese.

- (iii) The Chinese translation of the company name of the company established in the Canada is for reference only. The official name of this joint venture is in English.
- (iv) The Company and another shareholder mutually agreed in writing on 1 April 2016 to establish joint control over CBC (Canada) by requiring unanimous votes in all CBC (Canada)'s resolutions. The Company has determined that it has no control but joint control over CBC (Canada), accordingly, the Company considers CBC (Canada) as a joint venture.
- (v) On 7 August 2025, Hubei Dayukou Chemical Limited (“Hubei Dayukou”), a direct non-wholly owned subsidiary of the Company entered into a joint venture agreement with another shareholder to jointly control over Hubei Wengfu. The Board of directors of Hubei Wengfu consists of 7 directors of which Hubei Dayukou and another shareholder appoint 3 directors each and 1 director appointed by staff representatives. All major resolutions requiring a two-thirds of the voting rights by directors. The Group has determined that it has no control but joint control over the entity; accordingly, the Company considers Hubei Wengfu as a joint venture. The Group made RMB73,500,000 capital injection by cash during the year ended 31 December 2025.

12. INTERESTS IN ASSOCIATES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Cost	124,079	124,079
Share of post-acquisition (losses) profits and other comprehensive (loss) income, net of dividends received	(19,838)	3,325
	<u>104,241</u>	<u>127,404</u>

The above associates are accounted for using equity method in the consolidated financial statements. Particulars of the associates of the Group at the end of the reporting period are set out as follows:

Name of the entity <i>(Notes (i) and (ii))</i>	Place and date of incorporation and place of operation	Registered capital '000		Percentage of equity interest attributable to the Company 2025 %	Principal activities
廣西惠多利農業科技有限公司 (transliterated as Guangxi Huiduoli Agricultural Technology Company Limited)	The PRC, 11 January 2003	RMB30,000	Indirect	34.00 (2024: 34.00)	Trading of fertilisers and chemicals
中石油(內蒙古)新材料有限責任公司 (transliterated as PetroChina (Inner Mongolia) New Material Company Limited)	The PRC, 18 December 2000	RMB2,272,856	Direct	25.27 (2024: 25.27)	Manufacturing and sale of fertilisers and methanol
聯合惠農農資(北京)有限公司 (transliterated as United Agricultural Means of Production (Beijing) Co., Ltd.)	The PRC, 7 June 2016	RMB100,000	Direct	30.00 (2024: 30.00)	Merchandising

Notes:

- (i) These entities established in the PRC are domestic limited liability companies.
- (ii) The English translation of the company names of the associates established in the PRC is for reference only. The official names of these associates are in Chinese.

13. TRADE RECEIVABLES

Sales of the Group's fertilisers and chemicals including urea, MAP, DAP, acrylonitrile and methanol are normally settled on an advance receipt basis whereby the customers are required to pay in advance either by cash or by bank acceptance drafts. In the case of export sales, the Group may also accept irrevocable letters of credit issued in its favour.

The trading terms of the Group with its customers other than the above are mainly on credit. The credit period is generally one month, except for some high-credit customers, where payments may be extended.

An ageing analysis of trade receivables at the end of the reporting period, based on the invoice date and net of impairment of trade receivables of the Group, is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within one year	62,806	20,777
Over one year but within two years	–	–
Over two years but within three years	–	534
Over three years	–	2,310
	62,806	23,621

The ageing analysis of the trade receivables that are not individually nor collectively considered to be impaired is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Not past due	62,806	20,777
Past due within two years	–	534
Past due within three years	–	2,310
	62,806	23,621

Receivables that were not past due related to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due related to a number of independent customers that have a good track record with the Group.

The ECLs are assessed collectively for receivables that were not credit-impaired and individually for credit-impaired trade receivables with an aggregate carrying amount of Nil (2024: *RMB1,705,000*).

Movement in the ECLs allowance in respect of trade receivables during the year is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At beginning of the year	1,705	977
Provision of ECLs allowance	–	728
Amount written off	<u>(1,705)</u>	<u>–</u>
At end of the year	<u>–</u>	<u>1,705</u>

14. TRADE PAYABLES

The trade payables are unsecured, non-interest-bearing and are normally settled in 30 to 180 days. An ageing analysis of trade payables of the Group, based on invoice date, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	<u>1,112,792</u>	<u>1,067,996</u>

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within one year	1,046,618	1,022,590
Over one year but within two years	62,904	42,349
Over two years but within three years	1,784	1,527
Over three years	<u>1,486</u>	<u>1,530</u>
	<u>1,112,792</u>	<u>1,067,996</u>

15. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

General information of subsidiaries

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below:

Name of subsidiary <i>(Note(ii))</i>	Place and date of incorporation and place of operation	Registered/ Issued capital '000		Percentage of equity interest attributable to the Company %	Principal activities
海洋石油富島有限公司 (transliterated as CNOOC Fudao Limited) <i>(Note (i))</i>	PRC 31 December 2001	RMB477,400	Direct	100.00 <i>(2024: 100.00)</i>	Manufacture and sale of fertilisers
			Indirect	–	
海南中海石油運輸服務有限公司 (transliterated as Hainan CNOOC Transportation Co., Ltd.) <i>(Note (i))</i>	PRC 22 October 2001	RMB6,250	Direct	–	Provision of transportation services
			Indirect	73.11 <i>(2024: 73.11)</i>	
海南八所港務有限責任公司 (transliterated as Hainan Basuo Port Limited) <i>(Note (i))</i>	PRC 25 April 2005	RMB514,034	Direct	73.11 <i>(2024: 73.11)</i>	Port operation
			Indirect	–	
中海石油建滔化工有限公司 (transliterated as CNOOC Kingboard Chemical Limited) (“CNOOC Kingboard”) <i>(Note (i))</i>	PRC 31 October 2003	RMB500,000	Direct	60.00 <i>(2024: 60.00)</i>	Manufacture and sale of methanol
			Indirect	–	
中海化學銷售(海南)有限公司 (transliterated as China BlueChemical Marketing Hainan Limited) <i>(Note (i))</i>	PRC 7 January 2002	RMB27,000	Direct	100.00 <i>(2023: 100.00)</i>	Trading of fertilisers
			Indirect	–	
八所中理外輪理貨有限公司 (transliterated as China Basuo Ocean Shipping Tally Co., Ltd.) <i>(Note (i))</i>	PRC 9 May 2008	RMB300	Direct	–	Provision of overseas shipping services
			Indirect	61.41 <i>(2024: 61.41)</i>	
湖北大峪口化工有限責任公司 (transliterated as Hubei Dayukou Chemical Limited) <i>(Note (i))</i>	PRC 12 August 2005	RMB1,103,127	Direct	79.98 <i>(2024: 79.98)</i>	Phosphate mining and processing, manufacture and sale of MAP and DAP fertilisers
			Indirect	–	
中海石油華鶴煤化有限公司 (transliterated as CNOOC Huahe Coal Chemical Limited) <i>(Note (i))</i>	PRC 26 May 2006	RMB2,335,600	Direct	100.00 <i>(2024: 100.00)</i>	Manufacture and sale of fertilisers
			Indirect	–	

Name of subsidiary <i>(Note(ii))</i>	Place and date of incorporation and place of operation	Registered/ Issued capital '000		Percentage of equity interest attributable to the Company %	Principal activities
黑龍江瑞鶴礦業有限公司 (transliterated as Heilongjiang Ruihe Mining Co., Ltd.) <i>(Note (i))</i>	PRC 18 August 2022	RMB1,000	Direct Indirect	– 100.00 <i>(2024: 100.00)</i>	Trading of coal and coal products, coal mining
中海油(海南)富島化工有限公司 (transliterated as CNOOC (Hainan) Fudao Chemical Limited) (“Fudao Chemical”) <i>(Note (i))</i>	PRC 19 October 2020	RMB720,000	Direct Indirect	– 51.00 <i>(2024: 51.00)</i>	Manufacture and sale of acrylonitrile and methyl methacrylate
China BlueChemical (Hong Kong) Limited (中海化學(香港)有限公司)	Hong Kong 14 November 2013	HKD100	Direct Indirect	100.00 <i>(2024: 100.00)</i> –	Trading of fertilisers

Note:

- (i) These entities established in the PRC are domestic limited liability companies.
- (ii) The English translation of the company names of the companies established in the PRC is for reference only. The official names of these companies are in Chinese.

(3) MANAGEMENT DISCUSSION AND ANALYSIS

- **Sector Review**

Chemical fertiliser industry

In 2025, driven by the global population growth which continued to generate rigid demand for grain, the importance of grain security further increased amid escalating geopolitical tensions. China strictly upheld its bottom lines on arable land and grain security, and promoted improvements in per-unit yield as well as stabilisation and increase in overall grain output. The total grain output for the year reached 714.88 million tonnes, representing a year-on-year increase of 1.2%, maintaining China's position as the world's largest grain producer and providing solid support for the stability of the global grain market.

In 2025, new production capacity in the chemical fertiliser industry was commissioned on a concentrated basis, and the total industry output maintained growth, while structural optimisation continued to advance and outdated capacity was phased out at an accelerated pace. Affected by the prolonged low prices of agricultural products, end-market purchasing enthusiasm remained weak, and agricultural demand was generally flat with noticeable regional divergence. Industrial demand was relatively stable, albeit with limited room for growth. The pressure of supply-demand imbalance in the chemical fertiliser market persisted throughout the year, and the market as a whole operated in a weak pattern.

(I) Urea

In 2025, the domestic production volume of urea amounted to approximately 71.50 million tonnes, representing a year-on-year increase of 8.3%; the total export volume for the year amounted to approximately 4.89 million tonnes, which was significantly higher than the levels recorded in 2023–2024 and became a key variable affecting the market during the year.

With new production capacity being commissioned on a concentrated basis, domestic urea supply continued to climb. Although exports and year-end winter-storage demand provided a certain degree of support, demand growth lagged behind the pace of new capacity release. The contradiction between supply and demand in the market therefore remained prominent, and the price centre continued to shift downward compared with 2024, showing a volatile pattern of “rising first, then falling, and rebounding at year-end”. The average domestic market price of urea in 2025 was RMB1,810 per tonne, representing a decrease of RMB289 per tonne from 2024, or 13.8%.

In the first quarter, spring-farming demand gradually increased after the Chinese New Year, and together with a recovery in industrial demand, urea prices fluctuated upward, rising to the year's high of RMB1,997 per tonne by the end of March. In the second quarter, as spring-farming demand came to an end and downstream procurement became more cautious, coupled with high inventory levels and ample supply, prices fluctuated downward, with a month-on-month decline of 6.0% in April, and falling to around RMB1,780 per tonne by the end of June. From the third quarter onwards, as new production capacity was intensively deployed and demand for autumn fertilisation entered the off-season, market transactions were subdued and prices accelerated their decline, hitting the year's low of RMB1,570 per tonne in late October. In the fourth quarter, favourable export conditions continued to materialise, and together with the commencement of winter-storage demand, both futures and spot markets strengthened. Prices stopped falling and rebounded, rising to RMB1,749 per tonne by the end of December, exhibiting a year-end rally.

(II) *Phosphorus and compound fertilisers*

In 2025, the domestic production volume of DAP amounted to 13.35 million tonnes, representing a year-on-year decrease of approximately 5.6% compared with 14.14 million tonnes in 2024. Affected by export policies, the total export volume for the year was approximately 3.48 million tonnes, representing a year-on-year decrease of 23.8% (compared with 4.57 million tonnes in 2024).

Supported by the persistently high prices of phosphorus ore and policy regulation, the domestic DAP market operated at a generally high level throughout the year. The annual average price was approximately RMB3,806 per tonne, representing an increase of around 2.8% compared with the average price in 2024. In the first quarter, supply assurance for spring farming kept the market stable, with an average market price of around RMB3,000 per tonne. In the second quarter, as spring farming ended and supply loosened, prices fell slightly by RMB50–100 per tonne in April, before rebounding in May as the export window opened and demand recovered, with ex-factory prices in Hubei rising to RMB3,700–3,800 per tonne by the end of June. In the third quarter, fertiliser stocking for autumn and the concentrated release of export orders tightened supply and demand, driving prices upward, reaching RMB3,770 per tonne in early July. In the fourth quarter, prices remained high in the early period, but with market expectations turning towards a more relaxed supply situation in December, prices experienced a slight correction, with ex-factory prices in Hubei stabilising at around RMB4,100 per tonne at year-end.

Affected by the tensions for both persistent prices of raw materials and weak end-market demand, the domestic compound fertiliser market showed a weakly consolidated trend throughout the year. The annual average price of 45% sulphur-based compound fertiliser was RMB2,900 per tonne, representing a year-on-year decrease of 2.5%, with the decline significantly narrowing. The industry continued to face an oversupply situation, and market competition further intensified. Stocking for autumn fertiliser progressed slowly throughout the year, with strong wait-and-see sentiment among distributors and an ongoing tension between low operating rates and weak procurement.

Chemical industry

In 2025, the global economy entered a low-growth trajectory, with growth remaining in the range of 2.5%–3.5%, while recovery momentum remains persistently weak. The rigid requirements of the green and low-carbon transition, coupled with the deep adjustment of the global economic cycle, further intensified the differentiation among various segments of the chemical industry and showed characteristics of structural reshaping. The new quality productivity represented by new-energy materials and low-carbon chemical products performed strongly, while traditional basic chemical products continued to be constrained by multiple pressures. Most categories experienced narrow-range adjustments, while certain segments sought breakthroughs through capacity restructuring and a greater focus on specialty chemicals.

(I) Methanol

In 2025, domestic methanol production reached 102 million tonnes, representing a year-on-year increase of 10.8%, with output rising by 9.93 million tonnes. The annual import volume amounted to 14.40 million tonnes, representing an increase of 6.7% year-on-year, or 0.91 million tonnes more than in 2024.

Domestic methanol prices shifted downward, displaying a volatile pattern of “high in the beginning, low in the middle, and recovering at year-end”, with the domestic high operating rates and fluctuations in overseas supply dominating the annual supply-demand dynamics. In the first quarter, overseas supply was relatively tight and imports dropped sharply, with the average price in South China ranging from RMB2,600 to RMB2,700 per tonne. In the second quarter, the early rebound in import arrivals and weakening costs pushed prices down to around RMB2,200 per tonne, before surging to the annual high of RMB2,800 per tonne in June due to the Israel–Iran conflict and shutdowns at Iranian plants. In the third quarter, as Iranian units resumed operations and import volumes increased while seasonal demand remained weak, prices continued to decline. In the fourth quarter, winter gas curtailment in Iran resulted in overseas supply contraction, enabling prices to stop falling and rebound, ending the year with an upturn. For the full year, prices in the South China market ranged from RMB1,990 to RMB2,730 per tonne, with the annual average declining significantly year-on-year.

(II) Acrylonitrile

In 2025, the total domestic production of acrylonitrile was approximately 3.90 million tonnes, representing a year-on-year increase of 14.4%, and China's domestic market shifted from a net-import position to a net-export position.

The annual price trend showed a weak pattern of opening high and moving lower throughout the year, with the annual average price of second-grade product at East China ports being RMB8,726 per tonne, representing a year-on-year decrease of 6.8%. In the first quarter, temporary maintenance at plants in North China and delays in commissioning of new facilities in East China tightened supply and supported prices, pushing them up to a three-year high of RMB12,000 per tonne. In the second quarter, with new capacity being commissioned intensively, supply expanded rapidly and prices dropped sharply to below RMB9,000 per tonne. In the third quarter, new capacity continued to be released while downstream demand showed no improvement, leading to weak fluctuations at low levels. In the fourth quarter, the effect of new capacity remained pronounced, and together with weak demand from ABS, acrylic fibre and other downstream sectors, prices continued to fall, declining to around RMB7,600 per tonne in the Shandong mainstream market at year-end. For the full year, prices fluctuated within the range of RMB7,400–12,000 per tonne, with a volatility amplitude of 37.8%.

- **Business Review**

Production Management

In 2025, the Company continued to consolidate the foundation of safe production, with production facilities achieving stable, long-cycle and optimal operation throughout the year. The overall safety and environmental protection performance remained stable and positive, with environmental pollution incidents remaining at zero. All six major production units achieved for the third consecutive year the long-cycle operation target of “two 100-day periods or one 200-day period”, among which the Fudao Phase I fertiliser unit achieved 469 consecutive days of operation, and the Huahe Coal Chemical fertiliser unit achieved 376 consecutive days, both refreshing their own and the industry's records. As a result, during the year, the Company produced 1,929 thousand tonnes of urea, 827 thousand tonnes of phosphorus and compound fertilisers, 1,569 thousand tonnes of methanol and 276 thousand tonnes of acrylonitrile and related products.

Details of production of the Group's plants in 2025 are set out as follows:

	For the year ended 31 December			
	2025		2024	
	Production (tonnes)	Utilisation rate (%)	Production (tonnes)	Utilisation rate (%)
Chemical fertilisers				
Urea				
Fudao Phase I	535,346	103.0	532,516	102.4
Fudao Phase II	734,536	91.8	749,679	93.7
CNOOC Huahe	659,252	126.8	635,607	122.2
Group total	<u>1,929,134</u>	<u>104.8</u>	<u>1,917,802</u>	<u>104.2</u>
Phosphorus Fertilisers and Compound Fertilisers				
DYK MAP	70,019	46.7	56,501	37.7
DYK DAP Phase I (Note)	287,169	82.0	323,272	92.4
DYK DAP Phase II	470,095	94.0	475,631	95.1
Group total	<u>827,284</u>	<u>82.7</u>	<u>855,404</u>	<u>85.5</u>
Chemical Products				
Methanol				
Hainan Phase I	695,101	115.9	621,842	106.0
Hainan Phase II	874,269	109.3	816,535	103.2
Group total	<u>1,569,370</u>	<u>112.1</u>	<u>1,438,377</u>	<u>104.4</u>
Acrylonitrile and relating products				
Acrylonitrile	201,641	100.8	167,788	83.9
Acetonitrile	6,881	114.7	5,638	94.0
MMA	67,260	96.1	56,362	80.5
Group total	<u>275,782</u>	<u>99.9</u>	<u>229,788</u>	<u>83.3</u>

Note: In 2025, DYK DAP Phase I Plant produced 0 tonnes of DAP and 287,169 tonnes of compound fertilisers, amounting to 287,169 tonnes in total. In 2024, DYK DAP Phase I Plant produced 0 tonnes of DAP and 323,272 tonnes of compound fertilisers, amounting to 323,272 tonnes in total.

Sales Management

In 2025, the Company continued to enhance the optimisation of its marketing system and the transformation of its agricultural services, further enhancing the functions of e-commerce platform. Through measures such as precise pricing and seizing export opportunities, the Company improved its marketing efficiency, continuously optimised its sales structure, and enhanced the synergy between agricultural services and product value. During the year, the Company sold 1,922 thousand tonnes of urea, 1,517 thousand tonnes of methanol, 549 thousand tonnes of phosphorus fertilisers, 258 thousand tonnes of compound fertilisers, and 276 thousand tonnes of acrylonitrile and related products; meanwhile, the Company exported 105 thousand tonnes of urea, 164 thousand tonnes of phosphorus fertilisers, and 34 thousand tonnes of methanol, and 22 thousand tonnes of acrylonitrile.

Urea

The following table sets out the Group's urea sales volumes by final sales destinations of products during the preceding two financial years:

Sales region	For the year ended 31 December			
	2025		2024	
	Volume (tonnes)	Percentage (%)	Volume (tonnes)	Percentage (%)
North-eastern China	656,998	34.1	676,302	35.8
Northern China	104,599	5.5	115,158	6.1
Eastern China	146,065	7.6	157,523	8.3
South-eastern China	104,440	5.4	108,702	5.8
Southern China	739,769	38.5	753,238	39.9
Hainan	64,792	3.4	72,981	3.9
International	105,397	5.5	4,006	0.2
Total	<u>1,922,060</u>	<u>100.0</u>	<u>1,887,910</u>	<u>100.0</u>

Phosphorus Fertilisers and Compound Fertilisers

The following table sets out the Group's phosphorus fertiliser and compound fertiliser sales volumes by final sales destinations of products during the preceding two financial years:

Sales region	For the year ended 31 December			
	2025		2024	
	Volume (tonnes)	Percentage (%)	Volume (tonnes)	Percentage (%)
North-eastern China	165,425	20.5	166,925	20.8
Northern China	222,626	27.6	236,469	29.4
Eastern China	75,739	9.4	78,850	9.8
North-western China	126,238	15.6	118,319	14.7
Southern China	53,232	6.6	77,575	9.7
International	163,990	20.3	125,700	15.6
Total	807,250	100.0	803,838	100.0

Methanol

The following table sets out the Group's methanol sales volumes by final sales destinations of products during the preceding two financial years:

Sales region	For the year ended 31 December			
	2025		2024	
	Volume (tonnes)	Percentage (%)	Volume (tonnes)	Percentage (%)
South-eastern China	182,071	12.0	158,870	11.1
Southern China	1,120,521	73.9	1,096,180	76.9
Hainan	179,900	11.9	161,926	11.4
International	34,329	2.2	9,015	0.6
Total	1,516,821	100.0	1,425,991	100.0

Acrylonitrile and relating products

The following table sets out the Group's acrylonitrile and relating products sales volumes by final sales destinations of products during the preceding two financial years:

Sales region	For the year ended 31 December			
	2025		2024	
	Volume (tonnes)	Percentage (%)	Volume (tonnes)	Percentage (%)
Eastern China	3,395	1.2	4,979	2.2
Guangdong	129,236	46.8	138,739	61.5
Hainan	–	–	89	0.04
Others	121,512	44.1	73,189	32.4
International	21,813	7.9	8,690	3.86
Total	<u>275,956</u>	<u>100.0</u>	<u>225,686</u>	<u>100.0</u>

BB Fertilisers and High tower compound fertilizers

In 2025, the Group produced a total of 31,066 tonnes of BB fertilisers and achieved a sales volume of 33,942 tonnes; it produced a total of 16,225 tonnes of high tower compound fertilizer and achieved a sales volume of 13,489 tonnes.

Sea-land logistics services

In 2025, Basuo Port in Hainan completed a volume of throughput of 13.12 million tonnes.

- **Financial Review**

Revenue

During the reporting period, the Group's revenue was RMB12,034.4 million, representing an increase of RMB87.9 million, or 0.7%, from that of RMB11,946.5 million for the same period in 2024. This was primarily attributable to the fluctuation in the market of chemical fertilisers and chemical products and the impact of increased production and enhanced efficiency of production facilities.

During the reporting period, the Group realised an external revenue from urea of RMB3,301.8 million, representing a decrease of RMB408.4 million, or 11.0%, from that of RMB3,710.2 million for the same period in 2024. This was primarily attributable to (1) a decrease of RMB247.4 per tonne in the selling price of urea, resulting in a decrease of RMB475.6 million in revenue; and (2) an increase of 34,184.9 tonnes in the sales volume of urea, resulting in an increase of RMB67.2 million in revenue.

During the reporting period, the Group realised an external revenue from phosphorus and compound fertilisers of RMB3,046.5 million, representing an increase of RMB287.6 million, or 10.4%, from that of RMB2,758.9 million for the same period in 2024. This was primarily attributable to (1) an increase of RMB243.05 per tonne in the selling price of phosphorus and compound fertilisers, resulting in an increase of RMB207.8 million in revenue; and (2) an increase of 24,008.9 tonnes in the sales volume of phosphorus and compound fertilisers, resulting in an increase of RMB79.8 million in revenue.

During the reporting period, the Group realised an external revenue from methanol of RMB3,105.8 million, representing an increase of RMB15.1 million, or 0.5%, from that of RMB3,090.7 million for the same period in 2024. This was primarily attributable to (1) a decrease of RMB119.8 per tonne in the selling price of methanol, which decreased the revenue by RMB181.8 million; and (2) an increase of 90,830.0 tonnes in the sales volume of methanol, which increased the revenue by RMB196.9 million.

During the reporting period, the Group realised an external revenue from acrylonitrile series products of RMB2,163.4 million, representing an increase of RMB152.8 million, or 7.6%, from that of RMB2,010.6 million for the same period in 2024. This was primarily attributable to (1) a decrease of RMB1,069.4 per tonne in the selling price of acrylonitrile series products, which decreased the revenue by RMB295.1 million; and (2) an increase of 50,269.2 tonnes in the sales volume of acrylonitrile series products, which increased the revenue by RMB447.9 million.

During the reporting period, the Group realised an external revenue from others segments (primarily comprising port operations and provision of transportation services; trading in chemical fertilisers and chemicals; and the production and sales of liquid ammonia) of RMB417.0 million, representing an increase of RMB41.0 million, or 10.9%, from that of RMB376.0 million for the same period in 2024. This was primarily attributable to (1) an increase in revenue of RMB2.8 million resulting from the increase in throughput of Basuo Port; (2) an increase in revenue of RMB5.4 million from the trading business due to an increase in export and exchange rate fluctuations; and (3) an increase in revenue of RMB32.8 million from the sales of liquid ammonia, formaldehyde, carbon dioxide, vehicle-use urea and other products.

Cost of sales

During the reporting period, the Group's cost of sales was RMB10,463.9 million, representing an increase of RMB222.1 million, or 2.2%, from that of RMB10,241.8 million for the same period in 2024.

During the reporting period, the Group's cost of sales for urea was RMB2,834.3 million, representing a decrease of RMB188.0 million, or 6.2%, from that of RMB3,022.3 million for the same period in 2024. This was primarily attributable to (1) factors including the decrease in raw material prices of natural gas in Hainan region and CNOOC Huahe this year, which resulted in a year-on-year decrease of RMB238.3 million in the cost of sales; and (2) a year-on-year increase of 34,184.9 tonnes in the sales volume this year, which resulted in a year-on-year increase of RMB50.3 million in cost of sales.

During the reporting period, the Group's cost of sales for phosphorus and compound fertilisers was RMB2,887.3 million, representing an increase of RMB349.4 million, or 13.8%, from that of RMB2,537.9 million for the same period in 2024. This was primarily attributable to (1) the impact of the year-on-year increase in the purchases of ores and the prices of sulphur used in the production of phosphorus and compound fertilisers, leading to a year-on-year increase of RMB276.1 million in the cost of sales; and (2) a year-on-year increase of 24,008.9 tonnes in the sales volume of phosphorus and compound fertilisers, resulting in a year-on-year increase of RMB73.3 million in the cost of sales.

During the reporting period, the Group's cost of sales for methanol was RMB2,128.2 million, representing a decrease of RMB129.8 million, or 5.7%, from that of RMB2,258.0 million for the same period in 2024. This was primarily attributable to (1) factors including the decrease in natural gas prices in Hainan region this year, which resulted in a year-on-year decrease of RMB257.2 million in the cost of sales; and (2) a year-on-year increase of 90,830.0 tonnes in the sales volume of methanol, which resulted in a year-on-year increase of RMB127.4 million in the cost of sales.

During the reporting period, the Group's cost of sales for acrylonitrile was RMB2,156.8 million, representing an increase of RMB148.0 million, or 7.4%, from that of RMB2,008.8 million for the same period in 2024. This was primarily attributable to (1) factors including the decrease in prices of core raw materials this year, which resulted in a year-on-year decrease of RMB244.9 million in the cost of sales; and (2) a year-on-year increase of 50,269.2 tonnes in the sales volume of acrylonitrile, which resulted in a year-on-year increase of RMB392.9 million in the cost of sales.

During the reporting period, the Group's cost of sales for others segments was RMB457.3 million, representing an increase of RMB42.3 million, or 10.2%, from that of RMB415.0 million for the same period in 2024. This was primarily attributable to the increase in throughput of Basuo Port and the increase in sales of formaldehyde, carbon dioxide, vehicle-use urea and other products.

Gross profit

During the reporting period, the Group's gross profit was RMB1,570.5 million, representing a decrease of RMB134.1 million, or 7.9%, from that of RMB1,704.6 million for the same period in 2024. This was primarily attributable to (1) a decrease of RMB220.4 million in gross profit of urea due to the decrease in prices of urea offset by the increase in sales volume and a decrease in costs in 2025; (2) a decrease of RMB61.8 million in gross profit of Phosphorus and compound fertilisers due to the increase in sales volume and the increase in costs offset by the increase in prices in 2025; (3) an increase of RMB144.9 million in gross profit of methanol due to the increase in sales volume and the decrease in costs offset by the decrease in prices in 2025; and (4) an increase of RMB4.8 million in gross profit of acrylonitrile due to the increase in sales volume and the decrease in costs offset by the decrease in prices in 2025.

Other income

During the reporting period, the Group's other income amounted to RMB269.3 million, representing an increase of RMB163.7 million, or 155.0%, from that of RMB105.6 million for the same period in 2024. The increase was primarily attributable to the gain in disposal of assets arising from the shantytown renovation and expropriation project of Basuo Port Company during the year, which resulted in a year-on-year increase of RMB171.3 million.

Selling and distribution costs

During the reporting period, the Group's selling and distribution costs amounted to RMB80.4 million, representing a decrease of RMB10.9 million, or 12.0%, from that of RMB91.3 million for the same period in 2024. This was primarily attributable to (1) a year-on-year decrease of RMB3.4 million in labour costs of sales agency; (2) a year-on-year decrease of RMB4.6 million in promotional expenses due to the impact of the exhibition and sales plan; and (3) a year-on-year decrease of RMB2.2 million in travel expenses.

Administrative expenses

During the reporting period, the Group's administrative expenses amounted to RMB700.4 million, representing an increase of RMB71.3 million, or 11.3%, from that of RMB629.1 million for the same period in 2024. This was primarily attributable to (1) a year-on-year increase of RMB51.4 million arising from the recognition of retirement benefit due to the deferred retirement policy; and (2) a year-on-year increase of RMB15.4 million in remuneration of research and development personnel and research and development expenditures.

Other expenses

During the reporting period, the Group's other expenses amounted to RMB90.8 million, representing an increase of RMB72.9 million, or 407.3%, from that of RMB17.9 million for the same period in 2024. This was primarily attributable to (1) a year-on-year increase of RMB20.6 million in external donations this year; (2) a year-on-year increase of RMB15.7 million in late payment penalties; and (3) a year-on-year increase of RMB20.7 million in compensation to distributors.

Finance income and finance costs

During the reporting period, the Group's finance income amounted to RMB331.2 million, representing a decrease of RMB19.9 million, or 5.7%, from that of RMB351.1 million for the same period in 2024. This was primarily attributable to the increase of RMB1,100 million in the principal of large-denomination certificates of deposit and time deposits of the Group in 2025, while the average yield decreased from 3.22% in 2024 to 2.71% in 2025, resulting in a decrease of RMB15.0 million in finance income from large-denomination certificates of deposit and time deposits, and the remainder was mainly due to the decrease in the interest rates of demand deposits and 7-day notice deposits in 2025.

During the reporting period, the Group's finance costs amounted to RMB45.9 million, representing a decrease of RMB6.9 million, or 13.1%, from that of RMB52.8 million for the same period in 2024. This was primarily attributable to the decrease in the scale of borrowings and a decrease in interest rates.

Net exchange losses

During the reporting period, the Group recorded a net exchange loss of RMB4.5 million, as compared to a net exchange loss of RMB3.6 million for the same period in 2024, representing an increase of RMB0.9 million, or 24.6%. This was primarily attributable to the year-on-year increase in export business during the year, which resulted in higher exchange losses arising from the export forward letter of credit receipts due to exchange rate fluctuations.

Impairment loss on assets

During the reporting period, the Group recognised an asset impairment of RMB39.9 million, representing an increase of RMB22.1 million, or 123.5%, from that of RMB17.8 million for the same period in 2024. This was primarily attributable to an increase in impairment of fixed assets.

Share of net profits and losses of associates and joint ventures

During the reporting period, the Group's share of profits of associates and joint ventures amounted to RMB123.9 million, representing an increase of RMB74.9 million, or 152.9%, from that of RMB49.0 million for the same period in 2024. This was primarily attributable to the significant year-on-year increase in operating results of Guizhou Jinlin Chemical Co., Ltd. (貴州錦麟化工有限責任公司) in 2025, resulting in higher investment gains.

Income tax expenses

During the reporting period, the Group's income tax expense amounted to RMB249.8 million, representing a decrease of RMB66.3 million, or 21.0%, from RMB316.1 million for the same period in 2024. This was primarily attributable to: (1) a corresponding decrease in profit before tax for the current period, partially offset by an increase of RMB27.0 million in current income tax expenses arising from the gain on disposal of assets related to the shanty town renovation and expropriation project of Basuo Port Company during the year, which contributed to a year-on-year increase in the income tax expenses; and (2) a year-on-year decrease of RMB73.1 million in deferred income tax expenses, mainly due to the recognition of unused tax losses.

Net profit for the year

During the reporting period, the Group's net profit was RMB1,116.0 million, representing a decrease of RMB35.1 million as compared to that of RMB1,151.1 million in 2024.

Dividends

The board of directors of the Company (the "Board") recommended the payment of final dividends for 2025 in the amount of RMB516.3 million, or RMB0.112 per share. The proposed final dividend for 2025 will be subject to the approval of the shareholders of the Company at the 2025 annual general meeting.

Capital expenditure

During the reporting period, the Group's total capital expenditure for the year amounted to RMB475.5 million. Among them, RMB195.3 million for the midstream and downstream and ancillary projects, RMB141.4 million for equipment purchase and upgrade (including technical renovation) projects, RMB67.3 million for energy-saving, safety and environmental protection projects, RMB4.4 million for scientific research (capital expenditure) projects, RMB13.9 million for information technology construction projects, RMB40.8 million for base construction projects and RMB12.4 million for office equipment projects.

Key projects mainly included: (1) the anhydrous hydrogen fluoride project of DYK Company in the amount of RMB73.5 million; (2) the chemical project in respect of DYK Chupi Mountain Phosphogypsum Dry Slag Yard Project in the amount of RMB60.0 million; (3) Basuo Port Company New District Petrochemical Terminal Project (Supporting the Acrylonitrile Project) in the amount of RMB23.2 million.

Asset Pledge

During the reporting period, the Group did not pledge any property, plant and equipment as collateral to secure its interest-bearing bank borrowings.

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit ranking and a sound capital structure in order to safeguard its normal production and operations and maximise shareholders' value. The Group manages its capital structure and makes timely adjustments in light of changes in economic conditions. To maintain or realign our capital structure, the Group may raise capital by way of new debts or issue of new shares. The gearing ratio of the Group as at 31 December 2025 (calculated as interest-bearing liabilities divided by the sum of total equity and interest-bearing liabilities) was 9.6%, representing a decrease of 0.2% compared to 9.8% as at 31 December 2024, which was primarily attributable to the decrease in its lease liabilities and interest-bearing bank borrowings by RMB4.5 million during the reporting period as compared to last year.

Cash and cash equivalents

At the beginning of 2025, the Group had cash and cash equivalents RMB679.9 million. In 2025, the net cash inflow from operating activities was RMB1,378.7 million, the net cash outflow from investing activities was RMB570.5 million, the net cash outflow from financing activities was RMB751.4 million, and the increase in cash and cash equivalents due to foreign exchange rate changes was RMB0.14 million. As at 31 December 2025, the Group's cash and cash equivalents were RMB736.6 million. The Group has sufficient working capital to meet the funding requirements for its day-to-day operation and future development.

Human resources and training

As of 31 December 2025, the Group had 3,710 employees. The aggregate of employees' wages and allowances for 2025 was approximately RMB848.3 million. The Group has a comprehensive remuneration system and a systematic welfare plan as well as an effective performance appraisal system in place to ensure that the remuneration policy effectively provides incentive to its staff. The Company determines staff remuneration according to their positions, performance and capability.

As of 31 December 2025, during the reporting period, the Company strictly implemented its annual training plan, and recorded 69,544 enrollments with a total of 786,272 training hours (including online training). The Company also organised a total of 5,913 courses on safety training (on-site safety education and three-level safety training with contractors attended), internet safety training and external training with 77,026 enrollments and 223,446 training hours.

Market risk

The major market risks exposed to the Group arise from changes in selling prices of the main products and in costs of raw materials (mainly natural gas, coal, Phosphorus ore, liquid ammonium and sulphur), fuels (mainly natural gas and coal) and power.

Commodity price risk

The Group is also exposed to commodity price risk arising from changes in product selling prices and the costs of raw materials and fuels.

Interest rate risk

The market interest rate risk exposed to the Group mainly arises from the Group's short-term and long-term debt obligations which are subject to floating interest rates.

Foreign exchange risk

The Group's sales revenue is primarily denominated in RMB and secondarily in USD; purchases of equipment and materials are primarily denominated in RMB and secondarily in USD. During the reporting period, the RMB to USD exchange rate ranged between 7.0288 and 7.3500. Fluctuations in RMB to USD exchange rate have impacts on the Company's import of equipment and raw materials, export of products as well as the financing activities in USD.

As of 31 December 2025, the balance of the Group's deposits in USD was USD14.4 million.

Inflation and currency risk

According to the data of National Bureau of Statistics of China, the consumer price index of the PRC remained unchanged during the reporting period compared to last year, which did not have any significant impact on the Group's operating results for the year.

Liquidity risk

The Group monitors its risk exposure to shortage of funds and comprehensively considers the liquidity of its financial investments and financial assets (such as trade receivables and other financial assets) and the projected cash flows from operating activities. The Group's objective is to maintain a balance between the continuity and flexibility of funding through bank loans, bonds and various financial instruments.

As at 31 December 2025, based on the carrying amount of borrowings as shown in the consolidated financial statements, the Group's debts in the amount of RMB1,205.6 million would become due within one year. The Group has sufficient capital and is not exposed to liquidity risk.

Subsequent events

Subsequent to the end of the reporting period and up to the date of this announcement, the Group had no significant subsequent events.

Contingent liabilities

During the reporting period, the Group had no material contingent liabilities.

Material litigation and arbitration

During the reporting period, the Group had no material litigation or arbitration.

Major acquisitions and disposals of subsidiaries, associates and joint ventures of the Company

On 7 August 2025, Hubei Dayukou Chemical Limited ("**Hubei Dayukou**"), a direct non-wholly owned subsidiary of the Company entered into a joint venture agreement with another shareholder to jointly control over Hubei Wengfu Haiyu Fluorosilicon New Material Co., Ltd ("**Hubei Wengfu**"). The Group made RMB73,500,000 capital injection by cash during the year ended 31 December 2025. The Company considers Hubei Wengfu as a joint venture.

Apart from this, the Group had no acquisition or disposal of subsidiaries, associates and joint ventures.

- **Sector Outlook**

2026:

The domestic urea market is expected to continue the pattern of simultaneous increase in both supply and demand, but the pressure of supply-demand imbalance is likely to persist. On the supply side, new production capacity of more than 6 million tonnes is expected to come on stream, and the pace of capacity expansion will remain faster than demand growth. Enterprise inventories are highly likely to remain at elevated levels throughout the year, with pressures exceeding those in 2025. On the demand side, agricultural consumption is expected to increase steadily but modestly, while growth in industrial demand will be limited. Overall, the supply-demand gap is expected to continue widening, and the urea market is likely to maintain a weak and volatile trend.

The supply of domestic Phosphorus fertiliser is expected to remain stable, with demand likely to grow steadily. Driven by the national policy on increasing grain production and rising demand for phosphorus resources from the new-energy industries, both traditional agricultural Phosphorus fertilisers and new-energy-related applications will provide strong support to demand. On the cost side, Phosphorus ore prices are expected to remain at high and fluctuating levels, while environmental protection and safety-production policies will continue to reinforce the cost floor. The Phosphorus fertiliser market is therefore unlikely to experience significant volatility, and prices are expected to remain stable at high levels.

The domestic methanol market is expected to move toward a basically balanced supply-demand situation, operating within a volatile range throughout the year. On the supply side, new domestic production capacity coming on stream, together with rising import volumes, will keep overall supply adequate. On the demand side, new capacity in downstream MTO, acetic acid and MTBE sectors will be gradually released, which will help absorb part of the incremental supply, although the low-profit environment of the industry will remain difficult to reverse. Overall, the methanol supply-demand imbalance is expected to ease significantly compared with previous years, with no apparent risk of severe imbalance.

The overcapacity situation in the domestic acrylonitrile industry is expected to intensify, and the industry may enter a phase of deep restructuring. Capacity launched intensively in 2025 will be fully released in 2026, and together with new coming capacity, the annual capacity growth rate is expected to remain above 15%. Meanwhile, demand from major downstream sectors such as ABS remains weak, while demand from emerging sectors such as carbon fiber still represents a small proportion. Exports may become an important buffer, and once export logistics for coastal integrated plants are fully established, export volumes to Southeast Asia and India are expected to increase. Prices are expected to fluctuate at low levels throughout the year.

- **Our Key Tasks in 2026**

1. To consolidate the foundation of intrinsic safety, continuously optimise the HSE system, and uphold the concept of green development;
2. To promote the transformation of marketing and service functions, optimise channel management and market strategies, and enhance brand value empowerment;
3. To build a transparent internal-control and intelligent risk-control system, enhance cost reduction and efficiency enhancement, and improve the level of lean operations;
4. To promote digital and intelligent transformation, increase and expand the application of “AI+” scenarios, and advance the development of intelligent factories;
5. To strengthen innovation-driven development, increase investment in R&D, and accelerate the construction of pilot-test platforms and the conversion of technological achievements; and
6. To focus on optimising and upgrading existing industries, accelerate the cultivation of emerging business tracks, and build a “second growth curve”.

(4) SUPPLEMENTAL INFORMATION

Audit Committee

The Audit Committee has reviewed, with the management, the accounting principles and standards adopted by the Group, and discussed the internal control and financial reporting matters. The figures contained in the preliminary announcement of our Group’s results for the year were based on the Group’s consolidated financial statements for the year ended 31 December 2025 which have been agreed with the Group’s auditor, Forvis Mazars CPA Limited. The work performed by Forvis Mazars CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements, or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently, no assurance has been expressed by Forvis Mazars CPA Limited on the preliminary announcement. The Audit Committee has reviewed the financial report for the year ended 31 December 2025.

Compliance With Corporate Governance Code

During the reporting period, the Company had complied with all code provisions of Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), except the followings.

From 1 January 2025 to 18 March 2025, Mr. Hou Xianfeng served as the chairman of the Board, chief executive officer and president of the Company. In view of Mr. Hou Xiaofeng's experience, personal profile and his roles in the Company, the Board considers that it has no unfavorable impact on the business prospects and operational efficiency of the Company that Mr. Hou Xiaofeng, in addition to acting as the CEO and president of the Company, serves as the chairman of the Board. The Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) there is sufficient check and balance in the Board as the decision to be made by the Board requires approval by at least a majority of the Directors and the Board has three independent non-executive Directors out of the eight Directors (as at the date of this announcement), which is in compliance with the Listing Rules; (ii) Mr. Hou Xiaofeng and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they act for the benefit and in the best interest of the Company and make decisions for the Company accordingly; (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Company; and (iv) the overall strategic and other key business, financial, and operational policies of the Company are made collectively after thorough discussion at both Board and senior management levels.

We refer to the announcement of the Company dated 18 March 2025 in relation to, among other things, the resignation of Mr. Hou Xiaofeng as the chief executive officer and president of the Company and the appointment of Mr. Rao Shicai as the chief executive officer and president of the Company, both with effect from 18 March 2025. Accordingly, as at the date of this announcement, the Company has re-complied with code provision C.2.1 of the Corporate Governance Code.

Under code provision F.1.3 of the Corporate Governance Code, the chairman of the Board should attend the annual general meeting of the Company. Mr. Hou Xiaofeng was unable to attend the 2024 annual general meeting, H Shareholders' class meeting and domestic Shareholders' class meeting held on 29 May 2025 due to other business arrangements. The above meetings were chaired by Ms. He Qunhui at the time, being an executive Director. Ms. He Qunhui, together with other members of the Board who attended the annual general meeting and the Shareholders' class meeting, were of sufficient calibre to answer questions at the meetings and had answered questions at the meetings competently.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

In respect of the transactions of securities by our Directors, the Company has adopted a set of standard code on terms no less exacting than the required standards of the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 of the Listing Rules. The Board confirms that, having made specific enquiries with all Directors by the Company, during the reporting period ended 31 December 2025, all members of the Board have complied with the required standards as set out in the Model Code.

Proposed Final Dividends and Further Announcement of the Date of the Annual General Meeting and Closure of the Register of Members

The Board has recommended the payment of final dividends of RMB0.112 (tax included) per share for the year ended 31 December 2025. The proposed final dividends for 2025 will be subject to the approval of shareholders of the Company at the 2025 annual general meeting (the “AGM”). For the holders of domestic shares, dividends will be paid in RMB. For the holders of H shares, dividends will be paid in Hong Kong dollars. The final dividends are expected to be paid to the shareholders of the Company on or around 30 June 2026. The date of the AGM and the closure of the register of members in respect of the AGM and the proposed final dividends will be announced separately by the Company.

Withholding of Enterprise Income Tax and Individual Income Tax in respect of Dividends Payment

Pursuant to the Enterprise Income Tax Law of the People’s Republic of China and its Implementation Regulations, which became effective on 1 January 2008, the Company shall withhold enterprise income tax at the rate of 10% when distributing dividends to non-resident enterprises whose names appeared on the register of members of H shares. Any H shares registered in the name of non-individual shareholders, including HKSCC Nominees Limited, its nominees or agents, other organisations and bodies, shall be deemed to be shares held by non-resident enterprise shareholders, and accordingly, dividend payable to them shall be subject to withholding of enterprise income tax. As the Company is a foreign investment enterprise, the Company is not required to withhold non-resident individual income tax for non-resident individual holders of H shares.

The Company shall not be responsible for any claims arising from the untimely or inaccurate determination of the capacity of the shareholders of the Company or any disputes in respect of the withholding mechanism.

Should there be any changes to the withholding for payment requirements applicable prior to the payment of the dividends, the Company will make an announcement in a timely manner on such changes.

Purchase, Sale and Redemption of the Company’s Listed Securities

During 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

Disclosure on the Website of the Stock Exchange

This results announcement is published on the HKExnews website (<http://www.hkexnews.hk>) and on the Company's website (<http://www.chinabluechem.com.cn/>). The 2025 Annual Report will be available on the HKExnews and the Company's website in due course.

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

Beijing, the People's Republic of China, 18 March 2026

As at the date of this announcement, the executive directors of the Company are Mr. Hou Xiaofeng, Mr. Rao Shicai and Ms. He Qunhui, the non-executive directors of the Company is 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.*