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武漢有機控股有限公司
WUHAN YOUJI HOLDINGS LTD.

Wuhan Youji Holdings Ltd.

武漢有機控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2881)

ANNOUNCEMENT

DISCLOSEABLE AND NON-EXEMPT CONTINUING CONNECTED TRANSACTION PROCUREMENT OF EQUIPMENT PRODUCTION, INSTALLATION AND MAINTENANCE SERVICES FROM XINKANG CHEMICAL

Independent Financial Adviser to the Independent Board Committee



軟庫中華 SBI China

INTRODUCTION

Reference is made to section “Continuing Connected Transactions — 5. Provision of Equipment Production, Installation and Maintenance Services from Xinkang Chemical” in the prospectus of the Company dated 7 June 2024 (the “**Prospectus**”). On 21 May 2024, the Company has entered into the 2024 Xinkang Framework Agreement with Xinkang Chemical, pursuant to which Xinkang Chemical agreed to supply to us equipment, pipes and fittings including stainless steel and carbon steel vessels, condenser, heat exchanger, and provide installation services to the Group.

The Board announces that on 10 February 2026 (after trading hours), the Company and Xinkang Chemical agreed to terminate the 2024 Xinkang Framework Agreement and entered into the 2026 Xinkang Framework Agreement for the purpose of, among others, (i) revising the annual cap for the year ending 31 December 2026 and (ii) setting annual caps for the years ending 31 December 2027 and 2028. The 2024 Xinkang Framework Agreement will be terminated upon the 2026 Xinkang Framework Agreement becoming effective, which is conditional upon the approval of the Independent Shareholders at the EGM.

2026 XINKANG FRAMEWORK AGREEMENT

Date	:	10 February 2026
Parties	:	(i) the Company (as purchaser); and (ii) Xinkang Chemical (as supplier).
Term	:	1 January 2026 to 31 December 2028
Subject matter	:	Xinkang Chemical shall supply to the Group equipment, pipes and fittings (including, without limitation, stainless steel and carbon steel vessels, condensers and heat exchangers) and provide relevant installation and maintenance services.
Pricing Policy	:	The service fees shall be determined after arm's length negotiations between the parties with reference to the prevailing market rates in respect of similar equipment production, installation and maintenance services provided by independent third-party service providers. The Group will, on an annual basis, conduct research on comparable companies and/or obtain quotations from independent third-party service providers with comparable scale, so as to ensure that the service fees and terms offered by Xinkang Chemical are on normal commercial terms or better, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.
Annual caps	:	The annual caps for the 2026 Xinkang Framework Agreement for the three years ending 31 December 2026, 2027 and 2028 be as follows:

For the year ending 31 December		
2026	2027	2028
(RMB million)	(RMB million)	(RMB million)
110	110	110

As disclosed in the Prospectus, the existing annual cap for the year ending 31 December 2026 under the 2024 Xinkang Framework Agreement was RMB63.4 million, and accordingly such annual cap is proposed to be revised to RMB110 million.

HISTORICAL TRANSACTION AMOUNTS

The historical amounts of service fees paid/payable by the Group to Xinkang Chemical for the three years ended 31 December 2023, 2024 and 2025 were as follows:

For the year ended 31 December		
2023	2024	2025
(RMB million)	(RMB million)	(RMB million)
25.7	59.6	62.3

The Company will ensure that the transaction amount incurred under the 2024 Xinkang Framework Agreement for the year ending 31 December 2026 will not exceed the existing annual cap thereunder prior to the effectiveness of the 2026 Xinkang Framework Agreement.

BASIS FOR DETERMINING THE ANNUAL CAPS

In determining the annual caps under the 2026 Xinkang Framework Agreement, the Directors have taken into account, among other things, the Group's expected business development and anticipated capital expenditure for the three years ending 31 December 2026, 2027 and 2028, which are primarily attributable to a number of newly launched construction projects to be undertaken by the Group and its subsidiaries during the relevant period, including but not limited to:

- (i) large-scale new construction and expansion projects involving equipment production and installation on a turnkey basis, such as Phase II and follow-up construction projects of certain production facilities within the Group and its associates (including but not limited to Hubei Xinxuanhong Production Plant), as well as new production facility projects to be commissioned during the relevant period;
- (ii) overseas expansion projects, including manufacturing of specialised equipment for overseas production facilities;
- (iii) routine maintenance, miscellaneous repair works and supporting projects at existing production sites, including pipe fabrication, equipment manufacturing and on-site installation services.

The Group will pay the consideration for the continuing connected transactions under the 2026 Xinkang Framework Agreement with its own funds.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

Xinkang Chemical is a professional manufacturer of pressure vessels holding the requisite national special equipment manufacturing permits and is located in the core production area of the Wuhan Linuo Industrial Zone. Throughout the years, Xinkang Chemical has maintained a close and long-term cooperative relationship with the Group and has been providing the Group with a wide range of standardised and customised pressure vessels, as well as engaging in the development and supply of related ancillary equipment, process piping systems and specialised fittings.

Owing to the geographical proximity between Xinkang Chemical's production facilities and the Group's production sites and Xinkang Chemical's thorough understanding of the Group's business through years of co-operation, the parties are able to maintain efficient and direct communication in relation to equipment specifications and technical issues, and to facilitate coordinated delivery, installation and commissioning of equipment. Such proximity also enables Xinkang Chemical to provide timely maintenance and repair services to the Group when required.

The Directors consider that this cooperation model offers significant advantages to the Group, because, among other things, (i) based on the parties' accumulated cooperation experience in recent years, Xinkang Chemical has developed a good understanding of the Group's specific requirements in respect of equipment materials, pressure parameters and safety standards at different stages of production, and is able to provide targeted solutions and preventive maintenance support; (ii) the long-term framework arrangement allows the Group to streamline procurement and coordination processes, reduce administrative and communication costs, and avoid repetitive technical alignment, commercial negotiations and contract execution that would otherwise be required when engaging other suppliers and (iii) Xinkang Chemical has long served as the manufacturer of the Group's core equipment and has been deeply involved in the design and fabrication processes of such core equipment. Under the existing cooperation framework and confidentiality arrangements, Xinkang Chemical plays an important role in safeguarding the Group's core commercial and technical confidential information, and past cooperation experience has demonstrated the effectiveness of such arrangements.

In addition, in line with the Group's development strategy in recent years, the commencement of new construction projects is expected to increase the Group's demand for equipment production, installation and maintenance services, thereby necessitating an upward revision of the previously approved annual cap.

The 2026 Xinkang Framework Agreement is non-exclusive in nature, and the Group is not obliged to source the relevant equipment, pipes and fittings from Xinkang Chemical only. Nevertheless, taking into account Xinkang Chemical's technical capabilities and service efficiency, it remains one of the Group's core suppliers in respect of pressure vessels.

Based on the foregoing, the Directors are of the view that the 2026 Xinkang Framework Agreement was entered into in the ordinary and usual course of business of the Group and under normal commercial terms or better to the Group, and the terms of the 2026 Xinkang Framework Agreement and the proposed annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Each of Mr. Gao Lei and Mr. Shen Yingming has abstained from voting on the Board resolution approving the 2026 Xinkang Framework Agreement. Mr. Shen Yingming currently holds 16.72% of Xinkang Chemical. Save as disclosed above, to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as of the date of this announcement, none of the other Directors has any material interests in the 2026 Xinkang Framework Agreement and shall abstain from voting in respect of the relevant resolution(s).

INFORMATION ON THE PARTIES

The Company is incorporated under the laws of the Cayman Islands with limited liability and the Group is principally engaged in manufacture of toluene oxidation and chlorination products, benzoic acid ammonification products and other fine chemical products through organic synthesis process.

Xinkang Chemical is principally engaged in the manufacture and supply of chemical equipment (including pressure vessels) and the provision of related installation and maintenance services. The ultimate beneficial owner of Xinkang Chemical is Mr. Gao Lei, who is interested in approximately 66.86% of the equity interests in Xinkang Chemical.

LISTING RULES IMPLICATIONS

Xinkang Chemical is indirectly held by Mr. Gao Lei (a non-executive Director and controlling shareholder of the Company) as to 66.86%. Accordingly, Xinkang Chemical is an associate of Mr. Gao Lei and a connected person of the Company under the Listing Rules. Therefore, the Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the annual caps under the 2026 Xinkang Framework Agreement are expected to exceed 5%, the Transactions constitute non-exempt continuing connected transactions of the Company under Chapter 14A of the Listing Rules and are therefore subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements.

As one of the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) in respect of the annual caps under the 2026 Xinkang Framework Agreement exceeds 5% but all the percentage ratios are less than 25%, the Transactions constitute discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the announcement requirements under the Listing Rules.

The Company will convene the EGM for the Independent Shareholders to consider and, if thought fit, approve the Transactions. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, save for Mr. Gao Lei and his associates, none of the other Shareholders has a material interest in the Transactions and is required to abstain from voting on the relevant resolution(s) at the EGM.

The Independent Board Committee has been established to advise the Independent Shareholders on the Transactions, and to advise the Independent Shareholders on how to vote at the EGM.

SBI China Capital Hong Kong Securities Limited has been appointed as the Independent Financial Adviser to advise and make recommendations to the Independent Board Committee and the Independent Shareholders on the Transactions, and as to voting at the EGM so far as the Independent Shareholders are concerned.

A circular containing, among other things, (i) further details of the Transactions; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) other information as required under the Listing Rules, together with a notice of the EGM and the proxy form, is expected to be despatched to the shareholders of the Company by 30 April 2026 (which is more than 15 business days after the publication of this announcement) as additional time is required to finalise the contents of the circular.

DEFINITIONS

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

“Board”	the board of Directors of the Company;
“Company”	Wuhan Youji Holdings Ltd., a company incorporated under the laws of the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 2881);
“Director(s)”	the director(s) of the Company;

“EGM”	the extraordinary general meeting of the Company to be held to consider and approve, among other things, the 2026 Xinkang Framework Agreement, and the notice of which will be despatched to the shareholders of the Company in due course;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Hubei Xinxuanhong Production Plant”	a wholly owned project of the Group for construction and eventual operation of a manufacturing facility designed to produce toluene chlorination derivative products and other fine chemical products, the details of which are set out in the Prospectus;
“Independent Board Committee”	an independent board committee of the Board, comprising all the independent non-executive Directors, established for the purpose of advising the Independent Shareholders in respect of the Transactions;
“Independent Financial Adviser”	SBI China Capital Hong Kong Securities Limited, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Transactions;
“Independent Shareholders”	the Shareholders other than Mr. Gao Lei and his associates;
“independent third party(ies)”	has the meaning ascribed to it under the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange;
“PRC” or “China”	The People’s Republic of China, and for the purposes of this announcement only, excluding Hong Kong, Macau and Taiwan;

“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of USD0.0001 each;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	the Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“Transactions”	the transactions contemplated under the 2026 Xinkang Framework Agreement;
“Xinkang Chemical”	Wuhan Xinkang Chemical Equipment Co., Ltd. (武漢新康化工設備有限公司), a company incorporated in the PRC with limited liability;
“2024 Xinkang Framework Agreement”	a framework agreement entered into between Xinkang Chemical and the Company dated 21 May 2024 as disclosed in the section “Continuing Connected Transactions — 5. Provision of Equipment Production, Installation and Maintenance Services from Xinkang Chemical” in the prospectus;
“2026 Xinkang Framework Agreement”	a framework agreement entered into between Xinkang Chemical and the Company dated 10 February 2026 in respect of the Transactions for a term of three years commencing from 1 January 2026 to 31 December 2028;
“%”	per cent.

* For identification purposes only

By order of the Board
Wuhan Youji Holdings Ltd.
Mr. Zou Xiaohong
Chairman of the Board and Executive Director

Hong Kong, 10 February 2026

As at the date of this announcement, the Board comprises Mr. Zou Xiaohong and Mr. Chen Ping as executive Directors; Mr. Gao Lei, Mr. Shen Yingming and Ms. Li Deye as non-executive Directors; and Mr. Liu Kai Yu Kenneth, Dr. Liu Zhongdong and Dr. Yuan Kang as independent non-executive Directors.