TIANDE CHEMICAL HOLDINGS LIMITED
天德化工控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 609)

DISCLOSEABLE AND CONNECTED TRANSACTION ACQUISITION OF 49% EQUITY INTEREST IN A NON WHOLLY-OWNED SUBSIDIARY

THE ACQUISITION

The Board is pleased to announce that on 29 December 2025 (after trading hours of the Stock Exchange), the Purchaser, an indirect wholly-owned subsidiary of the Company, the Vendor and the Target Company entered into the Equity Transfer Agreement, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Sale Equity Interest, representing the 49% equity interest of the Target Company, at a consideration of RMB88,000,000.

Following Completion, the Target Company would become an indirect wholly-owned subsidiary of the Company.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, the Target Company is owned as to 51% by the Purchaser and 49% by the Vendor. Accordingly, the Vendor is a connected person of the Company at the subsidiary level under the Listing Rules, and the Acquisition constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) have approved the Acquisition and confirmed that the terms thereunder are fair and reasonable, the transaction is on normal commercial terms or better, and the Acquisition is in the interest of the Company and its Shareholders as a whole. By reason of the aforesaid, pursuant to Rule 14A.101 of the Listing Rules, the Acquisition is subject to the reporting and announcement requirements, but exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 29 December 2025 (after trading hours of the Stock Exchange), the Purchaser, an indirect wholly-owned subsidiary of the Company, the Vendor and the Target Company entered into the Equity Transfer Agreement, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Sale Equity Interest, representing the 49% equity interest of the Target Company, at a consideration of RMB88,000,000.

THE ACQUISITION

The principal terms of the Equity Transfer Agreement are set out below:

Date	:	29 December 2025
Parties	:	(1) the Vendor;
		(2) the Purchaser; and
		(3) the Target Company

As at the date of this announcement, the Vendor holds 49% equity interest in the Target Company and is a substantial shareholder of the Target Company. The Vendor is a connected person of the Company at the subsidiary level. Hence, the Acquisition constitutes a connected transaction under Chapter 14A of the Listing Rules.

Assets to be acquired

Pursuant to the Equity Transfer Agreement, the Purchaser has agreed to acquire, and the Vendor has agreed to sell, the Sale Equity Interest, representing 49% of the equity interest in the Target Company. Following the completion of the Acquisition, the Target Company would become an indirect wholly-owned subsidiary of the Company.

Consideration

The Consideration is RMB88,000,000, which shall be payable by the Purchaser to the Vendor upon Completion by way of setting off against part of the Debt due from the Vendor to the Purchaser on a dollar-to-dollar basis. The remaining balance of the Debt in the amount of RMB1,412,276.85 will be settled by the Vendor to the Purchaser in cash within 3 working days after the completion of the filing of industrial and commercial changes for the transfer of the Sale Equity Interests.

The basis of the Consideration was determined after arm's length negotiations between the Vendor and the Purchaser with reference to, among other things, (a) the unaudited net asset value of the Target Company as at 31 October 2025 at RMB164,733,000; and (b) a premium of approximately 9% to reflect the consolidation of entire shareholding of the Target Company.

The Directors (including the independent non-executive Directors) consider that the terms of the Equity Transfer Agreement and the Acquisition, including, among other things, the basis of calculating of the Consideration, are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Completion

The parties shall proceed with the registration and filing of industrial and commercial changes for the transfer of the Sale Equity Interests within 10 working days after the execution of the Equity Transfer Agreement.

Following Completion, the Target Company would become an indirect wholly-owned subsidiary of the Company and the financial results of the Target Company will be fully consolidated into the consolidated financial statements of the Group.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is an investment holding company and the Group is principally engaged in the research and development, manufacture and sale of fine chemical products.

As disclosed in the interim report of the Company for the six months ended 30 June 2025, in light of the substantial operational challenges on the manufacturing sector of the PRC, the Group strives to proactively expand its business activities and intensifies efforts to enhance operational agility. One of the key priorities of the Group is to improve operational efficiency.

The Company considers that the acquisition of the remaining 49% equity interest in the Target Company represents a strategic opportunity to further strengthen the Company's position in the fine chemical industry. After the consolidation, the Company will achieve full ownership of the Target Company to streamline decision-making processes, enhance operational efficiency, and align the Target Company's operation with the Group's long-term growth strategy.

By fully integrating the Target Company, the Group can leverage its strong capabilities, competitive business advantages, deep industry expertise and established client relationships to pursue additional growth opportunities. This move supports the Group's commitment to delivering sustainable value to Shareholders through disciplined expansion and operational excellence.

Based on the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Acquisition are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE TARGET COMPANY

The Target Company is a company established in the PRC with limited liability and an indirect non wholly-owned subsidiary of the Company as to 51% immediately before Completion. The Target Company is principally engaged in research and development, manufacture and sale of chemical products.

Set out below are the financial information of the Target Company for the two years ended 31 December 2024 and the six months ended 30 June 2025:

	For the year ended 31 December		**For the six months ended 30 June**
	2023	**2024**	**2025**
	(audited)	*(audited)*	*(unaudited)*
	RMB'000	*RMB'000*	*RMB'000*
Revenue	489,122	391,560	146,399
Net profit/(loss) before tax	55,666	(39,948)	(32,458)
Net profit/(loss) after tax	41,733	(39,974)	(32,458)

According to the financial statements of the Target Company which are prepared on a basis consistent with Hong Kong Financial Reporting Standards, the audited net asset value of the Target Company as at 31 December 2023 and 2024 were approximately RMB245,746,000 and RMB205,773,000, respectively and the unaudited net asset value of the Target Company as at 30 June 2025 was approximately RMB173,315,000.

The Sale Equity Interest was acquired by the Vendor from the previous shareholder of the Target Company in November 2023 at the original acquisition cost of RMB44,000,000.

INFORMATION ON THE PARTIES

The Group and the Purchaser

The Group is principally engaged in the research and development, manufacture and sale of fine chemical products.

The Purchaser is a company established in the PRC and an indirect wholly-owned subsidiary of the Company. The Purchaser is principally engaged in research and development, manufacture and sales of fine chemical products.

The Vendor

The Vendor is a company established in the PRC with limited liability and is an investment holding company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, as at the date of this announcement and based on the information currently available to the Directors, (1) the Vendor has 19 shareholders; (2) the shareholders holding more than 5% of the equity interests of the Vendor are (i) Li Bugao*（李步高）, a merchant, which holds approximately 54.78% of the equity interests of the Vendor; and (ii) Shanghai Xiang He Hong An Equity Investment Partnership Enterprise*（上海祥禾泓安股權投資合伙企業）("**Shanghai Xiang He**"), a private equity fund, which holds approximately 18.08% of the equity interests of the Vendor; (3) the partners which have more than 10% of total capital contribution in Shanghai Xiang He are: (i) Yong Jin Investment Holding Company Limited* (涌金投资控股有限公司）("**Yong Jin**"), a company established in the PRC, the capital contribution of which represents approximately 15.26% in Shanghai Xiang He; and (ii) Chen Jin Xia*（陳金霞）, a merchant, the capital contribution of which represents approximately 12.66% in Shanghai Xiang He; and (4) the shareholders holding more than 10% of the equity interests of Yong Jin are: (i) Chen Jin Xia* (陳金霞), which holds approximately 66.5% of the equity interests of Yong Jin and (ii) Liu Xian Zhen*（劉先震）, a merchant, which holds approximately 11% of the equity interests of Yong Jin.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, the Target Company is owned as to 51% by the Purchaser and 49% by the Vendor. Accordingly, the Vendor is a connected person of the Company at the subsidiary level under the Listing Rules, and the Acquisition constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) have approved the Acquisition and confirmed that the terms thereunder are fair and reasonable, the transaction is on normal commercial terms or better, and the Acquisition is in the interest of the Company and its Shareholders as a whole. By reason of the aforesaid, pursuant to Rule 14A.101 of the Listing Rules, the Acquisition is subject to the reporting and announcement requirements, but exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

"Acquisition"	the acquisition of the Sale Equity Interest from the Vendor by the Purchaser pursuant to the terms and conditions of the Equity Transfer Agreement
"Board"	the board of Directors

"Company"	Tiande Chemical Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Stock Exchange (stock code: 609)
"Completion"	completion of the Acquisition pursuant to the terms and conditions of the Equity Transfer Agreement
"Consideration"	the consideration payable by the Purchaser to the Vendor pursuant to the terms and conditions of the Equity Transfer Agreement
"Debt"	the debt owing by the Vendor to the Purchaser in relation to the accounts payable in the amount of RMB89,412,276.85 as at the date of the Equity Transfer Agreement
"Director(s)"	the director(s) of the Company
"Equity Transfer Agreement"	the equity transfer agreement dated 29 December 2025 entered into between the Vendor and the Purchaser in respect of the Acquisition
"Group"	the Company and its subsidiaries from time to time
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"percentage ratios"	the percentage ratio(s) as defined under Rule 14.07 of Chapter 14 of the Listing Rules
"PRC"	the People's Republic of China, which shall, for the purpose of this announcement only, exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"Purchaser"	Weifang Binhai Petro-Chem Company Limited* (濰坊濱海石油化工有限公司), a company established in the PRC and an indirect wholly-owned subsidiary of the Company
"RMB"	Renminbi, the lawful currency of the PRC

"Sale Equity Interest"	49% of the entire registered and paid up capital of the Target Company
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Weifang Zhongying Chemical Company Limited* (濰坊中贏化工有限公司), a company established in the PRC with limited liability and an indirect non wholly-owned subsidiary of the Company as to 51% immediately before Completion
"Vendor"	Zhejiang Zhongshan Chemical Group Co., Ltd.* (浙江中山化工集團股份有限公司), a company established in the PRC with limited liability and the shareholder of 49% equity interest of the Target immediately before Completion
"%"	per cent.

By order of the Board
Tiande Chemical Holdings Limited
Liu Yang
Chairman

Hong Kong, 29 December 2025

As at the date of this announcement, the executive Directors are Mr. Liu Yang, Mr. Wang Zijiang and Mr. Chen Xiaohua; whilst the independent non-executive Directors are Mr. Leung Kam Wan, Mr. Liu Chenguang and Ms. Shan Honghong.

* *for identification purpose only*