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中海石油化学股份有限公司
China BlueChemical Ltd.*

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

(Stock Code: 3983)

ANNOUNCEMENT

FURTHER INFORMATION ON THE ENFORCEMENT ACTION AGAINST THE ASSETS OF AN ASSOCIATE OF THE COMPANY

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Reference is made to the announcements dated 12 June 2014, 2 July 2014, 4 August 2014, 15 August 2014, 20 August 2014, 4 September 2014, 12 September 2014, 25 September 2014, 12 December 2014 and 26 December 2014 of China BlueChemical Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) in relation to the enforcement action against the assets of Shanxi Hualu Yangpoquan Coal Mining Co., Ltd. (“**Yangpoquan Coal**”), an associate of the Company (the “**Enforcement Action**”), in which the Company holds 49% equity interests.

Reference is also made to the announcements of the Company dated 26 July 2018 and 13 August 2018 in relation to the result of the auction mining rights and mining assets of Yangpoquan Coal (the “**Auction**”) on the network platform of Alibaba Judicial Auction* (sf.taobao.com) (“**Ali Auction**”) and the status update of the Auction.

According to paragraph 10 of the *Announcement of Intermediate People's Court of Xinzhou on the Auction of All Mining Rights and Coal Mine Property of Shanxi Hualu Yangpoquan Coal Mining Co., Ltd.*, as published on Ali Auction, the deadline for the successful bidder to make the payment is 16:00 on 7 September 2018. After making a further enquiry with Intermediate People's Court of Xinzhou City, Shanxi Province (“**Xinzhou Court**”), the Company was informed that Xinzhou Court had not received, within the stipulated time aforesaid, all subsequent payment from the successful bidder

and that Xinzhou Court is considering what next steps to take. The Company will continue to follow up the Enforcement Action and will make further announcement(s) if and when appropriate.

The Company wishes to inform its shareholders and potential investors that, based on the information currently available, the Company does not expect a material impact on the Group's business operations should the transaction under the Auction as mentioned above fail to complete.

Shareholders and potential investors of the Company should exercise caution when investing in or dealing in the securities of the Company.

By order of the Board
China BlueChemical Ltd.*
WU Xiaoxia
Company Secretary

Beijing, the PRC

7 September 2018

As at the date of this announcement, the executive directors of the Company are Mr. Xia Qinglong and Mr. Wang Weimin, the non-executive directors of the Company are Mr. Meng Jun and Mr. Guo Xinjun, and the independent non-executive directors of the Company are Ms. Lee Kit Ying, Mr. Lee Kwan Hung and Mr. Yu Changchun.

* *For identification purpose only.*