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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

PROFIT ALERT

This announcement is made by China BlueChemical Ltd.* (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform its shareholders and potential investors that, based on information currently available, the Board expects the Group to record a net profit attributable to owners of the Company approximately from RMB1,230 million to RMB1,260 million for the six months ended 30 June 2021 as compared to the net profit attributable to owners of the Company of approximately RMB310 million for the six months ended 30 June 2020.

The principal factor contributing to the increase in the expected net profit attributable to owners of the Company is the increase in the prices of the Company's main products, such as urea, methanol, and phosphate fertilisers and compound fertilisers. We refer to the announcements of the Company dated 22 January 2021 and 25 January 2021 in relation to the progress of the disposal of the 51% equity interests and the creditor's right of RMB61.47502275 million in CNOOC Hualu Shanxi Coal Chemical Co., Ltd.* (中海油華鹿山西煤炭化工有限公司) and the 49% equity interests in Shanxi Hualu Yangpoquan Coal Mining Co., Ltd.* (山西華鹿陽坡泉煤礦有限公司) (the "**Disposal**") by the Company. The revenue from the Disposal has been recognized in the first half of 2021 upon the completion of the Disposal and the estimated profit includes the gains from the Disposal.

The information contained in this announcement is only based on the preliminary assessment by the Company's management according to the latest unaudited management accounts of the Group. Detailed financial information of the Group will be disclosed in its 2021 interim report.

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
23 July 2021

As at the date of this announcement, the executive directors of the Company are Mr. Wang Weimin and Mr. Hou Xiaofeng, the non-executive directors of the Company are Mr. Guo Xinjun and Mr. Liu Zhenyu, and the independent non-executive directors of the Company are Mr. Yu Changchun, Mr. Lin Feng and Mr. Xie Dong.

* *For identification purpose only.*