三江化工
SANJIANG CHEMICAL

CHINA SANJIANG FINE CHEMICALS COMPANY LIMITED
中國三江精細化工有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2198)

POSITIVE PROFIT ALERT

This announcement is made by China Sanjiang Fine Chemicals Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review and assessment of the Group's unaudited condensed consolidated financial information for the six months ended 30 June 2024 (the "**period under review**"), the Group is expected to report a net profit attributable to equity holders of more than RMB150 million for the six months ended 30 June 2024 while the Group reported a net profit attributable to equity holders of approximately RMB26 million for the six months ended 30 June 2023, which represented an increase of more than 400% when comparing to the corresponding period of 2023. The expected increase in net profit attributable to equity holders of the Company was primarily attributable to:- 1) the improvement of pricing for certain products; and 2) the full period impact after the ramp-up and commercial operation of the Group's new production facilities — the 6th phase EO/EG production facilities with 1,000,000MT output on a yearly basis and the Naphtha/Ethane/Propane-to-Ethylene/Propylene production facility with 1,250,000 MT output on a yearly basis as upstream level (the "**6th phase EO/EG production facilities and upstream Naphtha/Ethane/Propane-to-Ethylene/Propylene production facility**") during

2023, which contributed the increments of approximately 80% in terms of production output and the improvements of approximately 20% in terms of the saving from EO/EG production processing costs.

The Company is still in the process of finalizing the interim results for the six months ended 30 June 2024. As such, the information contained in this announcement is based on the preliminary assessment of the Board on the unaudited condensed consolidated financial information. The interim results of the Group for the six months ended 30 June 2024 is expected to be announced before the end of August 2024.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
China Sanjiang Fine Chemicals Company Limited
HAN Jianhong
Chairlady and executive Director

The People's Republic of China, 25 July 2024

As at the date of this announcement, the Board comprises four executive Directors: Ms. HAN Jianhong, Mr. RAO Huotao, Ms. CHEN Xian and Ms. GUAN Siyi and three independent non-executive Directors: Mr. SHEN Kaijun, Ms. PEI Yu and Mr. KONG Liang.