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China Risun Group Limited

中國旭陽集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1907)

VOLUNTARY ANNOUNCEMENT

STEADY EXPANSION OF OPERATION MANAGEMENT SERVICES

This announcement is made by China Risun Group Limited (the “**Company**”, together with its subsidiaries, the “**Risun Group**” or “**Risun**”) on a voluntary basis.

Since its listing in 2019, Risun Group has exported professional operation management services to the industry by integrating, consolidating, refining and replicating the Group’s advantages and experience in operation management in the coking and refined chemicals industries, creating an operation management service business with Risun characteristics. It achieved rapid scale expansion through an asset-light approach, thus accelerating and strengthening the pace and intensity of integration of industries and creating incremental revenue, while also selecting high-quality assets for mergers and acquisitions.

In the third quarter of 2024, Risun Group signed a cooperation agreement with Wuhai Guangna Coal Coking Co., Ltd.*(烏海廣納煤焦化有限公司) in July for the purpose of conducting unified sales of its coke, as well as signing a cooperation agreement with Sichuan Energy Investment Wangcang Coking Co., Ltd.*(四川能投旺蒼焦化有限公司) in September for the purpose of providing comprehensive services for the overall production operation management of coke, including but not limited to sale of coke products, sale of chemicals products, purchase of coking coal, management of coal blending, management of transportation, etc. These two new cooperations have increased the current scale of Risun Group’s operation management service business to 7.06 million tons per year, of which 6.4 million tons per year are coke and 660,000 tons are refined chemicals.

The 300,000 tons/year Aniline Quality and Efficiency Improvement Comprehensive Transformation Project provided by Risun Group’s operation management service to Jilin Connell Chemicals Co. Ltd.*(吉林康乃爾化工股份有限公司) was successfully started up in October 2024 and produced qualified high-purity hydrogen. Through this Aniline Quality and Efficiency Improvement Comprehensive Transformation Project, the annual output of this production unit can be further increased to 360,000 tons/year.

The details of the operation management services in the third quarter of 2024 (and the year-to-date) are as follows:

Type of operation management services and their province or autonomous region/annual production capacity	July-September, 2024 (ten thousand tons)	2024-to-date (ten thousand tons)	Quarter-on-quarter change between the third quarter of 2024 and the second quarter of 2024 in percentage
(A) Coke			
1) Ningxia Hui Autonomous Region: Wu Zhong City Tong Da Coking Co. Ltd*(吳忠市通達煤化工有限公司)	–	260	
2) Henan Province: Luoyang Long Ze Energy Co. Ltd*(洛陽龍澤能源有限公司)	–	100	
3) Shandong Province: a coal chemical limited liability company	–	120	
4) Inner Mongolia Autonomous Region: Wu Hai Guangna Coal Tar Hua Co.,Ltd.*(烏海廣納煤焦化有限公司)	100	100	
5) Sichuan Province: Sichuan Energy Investment Wangcang Coking Co., Ltd.*(四川能投旺蒼焦化有限公司)	60	60	
Subtotal of coke	160	640	44.4%
(B) Refined Chemicals			
1) Henan Province (Coal tar): Henan Haixing Chemical Science and Technology Co., Ltd.*(河南海星化工科技有限公司)	–	30	
2) Jilin Province (Aniline): Jilin Connell Chemicals Co. Ltd*(吉林康乃爾化工股份有限公司)	–	36	
Subtotal of refined chemicals	–	66	N/A
Total	160	706	

Based on the measurement of the maximum annual production capacity (i.e. 6.4 million tons/year of coke, 0.3 million tons/year of coal tar and 0.36 million tons/year of aniline) of the production units for which Risun Group provides operation management services to each of the independent third parties, the total sales revenue of such independent third parties could reach approximately RMB15 billion.

Risun group's operation management services include various areas: overall hosting, integrated marketing, overall supply chain management, park planning consultation, production line planning, and improvements in production, technology, logistics, environmental protection, safety, R&D, digitalization, etc. It covers multiple upstream and downstream industries such as coking, chemicals and new energy. Relying on Risun's unique core competitiveness and operation management system, the operation management services of Risun Group are gradually forming a new growth pole.

In the future, Risun Group will continue to expand the scale of its operation management service business in various upstream and downstream industrial fields such as coking, chemicals and new energy. During this process, Risun Group will also seek high-quality assets suitable for mergers and acquisitions, so as to assist the stable development of Risun's national layout and global expansion. The operation management services business of Risun Group has also become a forerunner of the Group's external mergers and acquisitions.

The Board of Directors (the "**Board**") of the Company expects that under the business development strategies and models such as through continuous implementation of operation management services, mergers and acquisitions, etc, the Group will continue to expand its production and supply capacity of coke and refined chemicals products and maintain a strong development, thereby continuously improving the service level of coke and chemicals enterprises in China and around the world.

The above figures do not constitute the actual revenue and profit of the Company. Figures in 2024 have not been reviewed or audited by the independent auditors and/or audit committee of the Company and may be adjusted during the course of the audit and/or review.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
China Risun Group Limited
Yang Xuegang
Chairman

Hong Kong, October 17, 2024

As at the date of this announcement, the executive Directors are Mr. Yang Xuegang, Ms. Lu Xiaomei, Mr. Li Qinghua, Mr. Han Qinliang, Mr. Wang Nianping and Mr. Yang Lu; and the independent non-executive Directors are Mr. Yu Kwok Kuen Harry, Mr. Wang Yinping and Dr. Liu Xiaofeng.

* *For identification purposes only*