RISUN

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)

POSITIVE PROFIT ALERT

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

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended June 30, 2026 (the "**Period**") and the information currently available, the Group expects its net profit for the Period to increase by not less than 335% as compared to the six months ended June 30, 2025 (the "**Last Corresponding Period**"), mainly due to the combined effects of the following factors:

(1) EXPANSION OF PRICE SPREADS IN REFINED CHEMICALS DUE TO RISING SELLING PRICES

During the Period, the price spreads in the Group's refined chemicals expanded, mainly due to the increase of price spreads in the aromatic chemicals production line. The average selling price of caprolactam products increased by 13.3% to approximately RMB9,701.3/ton during the Period (Last Corresponding Period: approximately RMB8,563.1/ton), while the average purchase price of pure benzene (one of the main raw materials for caprolactam) remained basically unchanged, resulting in expansion of the price spreads in caprolactam. In addition, the price spreads in other refined chemicals (such as coke-oven-gas-based methanol) remained at high levels. The expansion of price spreads in refined chemicals was one of the reasons for the increase in net profit during the Period as compared to the Last Corresponding Period.

The World's Leading Energy Chemical Company
—— Innovation Leads to the Future

(2) SUCCESSFUL COMPLETION OF THE ACQUISITION OF BINHAI ENERGY

On June 24, 2026, the Group successfully completed the acquisition of the shares of Tianjin Binhai Energy & Development Co., Ltd. (天津濱海能源發展股份有限公司) ("**Binhai Energy**", whose shares are listed on the Shenzhen Stock Exchange (stock code: 000695)). As the acquisition constitutes a business combination under common control in accordance with International Financial Reporting Standards, the Group restated the unaudited consolidated management accounts for the Last Corresponding Period, resulting in a decrease of approximately RMB36 million in the unaudited net profit for the Last Corresponding Period. As disclosed in the Company's announcement dated August 8, 2026 in relation to the key accounting data and financial indicators of Binhai Energy for the six months ended June 30, 2026, the operating revenue of Binhai Energy increased by 78.5% to approximately RMB419.3 million during the Period, and its operation capabilities continued to enhance.

During the Period, Binhai Energy has focused on advancing the completion of construction and the physical connection of the source-grid-load-storage green power phase I 150MW wind power project located in the Inner Mongolia Autonomous Region, to enhance the Group's ability to secure a reliable supply of lithium battery anode materials from Binhai Energy, thereby satisfying the increasing demand from battery customers, while also improving the quality of integrated production, reducing production costs and enhancing the green attributes of the products. The green power project achieved full-line power transmission on August 1, 2026, officially entering the system commissioning and trial operation stage.

The information contained in this announcement is only based on the Board's preliminary assessment of the Group's unaudited consolidated management accounts. Such information has not been audited or reviewed by the Company's auditors or the audit committee of the Board, and is therefore subject to adjustment. The Company is still finalizing the Group's interim results for the six months ended June 30, 2026, which are expected to be published before the end of August 2026.

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

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

Hong Kong, August 10, 2026

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 Dr. Yu Kwok Kuen Harry, Mr. Wang Yinping and Dr. Liu Xiaofeng.