

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **DONGGUANG CHEMICAL LIMITED**

**東光化工有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1702)**

### **PROFIT WARNING**

This announcement is made by Dongguang Chemical 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 (Cap. 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (“**Directors**”) of the Company wishes to inform shareholders of the Company (“**Shareholders**”) and potential investors that based on the latest information currently available to the Board, the Group is expected to record a decrease in net profit by about 50% for the six months ended 30 June 2023 as compared to the corresponding period in 2022. The decrease in net profit of the Group was mainly due to the decrease in overall gross profit and gross profit margin. The decrease in overall gross profit and gross profit margin was primarily due to the decrease in revenue from the sales of the Group’s main product urea mainly resulting from the decrease in average selling price of such product as compared to the corresponding period in 2022.

The information contained in this announcement is only based on preliminary review and assessment made by the Board with reference to the information currently available, including the latest consolidated management accounts of the Group for the six months ended 30 June 2023, which is yet to be confirmed and finalised and is subject to adjustments upon the finalisation of the review by the auditor of the Company. Shareholders and potential investors are advised to refer to details in the interim results announcement of the Company for the six months ended 30 June 2023 which is expected to be published by the end of August 2023.

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

On behalf of the Board  
**Dongguang Chemical Limited**  
東光化工有限公司  
**Wang Zhihe**  
Chairman

The PRC, 7 August 2023

*As at the date of this announcement, the Board comprises Mr. WANG Zhihe, Mr. SUN Zushan, Mr. XU Xijiang and Mr. WANG Chunmeng as executive Directors; Ms. CHEN Jimin as non-executive Director; Ms. LIN Xiuxiang, Mr. LIU Jincheng and Mr. NG Sai Leung as independent non-executive Directors.*