Xingye Alloy Materials Group Limited
興業合金材料集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 505)

PROFIT WARNING

This announcement is made by Xingye Alloy Materials Group Limited (the "**Company**" and 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 (the "**Listing Rules**") and the Inside Information Provisions (as defined in 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 Board's preliminary review of the unaudited consolidated management accounts of the Group, the profit attributable to the equity shareholders of the Group for the six months ended 30 June 2025 (the "**Current Period**"), is expected to decrease by approximately 25% as compared to that of RMB141.1 million for the six months ended 30 June 2024 (the "**Prior Period**"). The expected decrease in profit attributable to the equity shareholders of the Group for the Current Period was mainly attributable to: (1) addition of new employees and salary adjustments, which led to an increase in labor costs; (2) the increase in depreciation costs due to acquisition of new equipment and other infrastructures; and (3) the cancellation of export tax rebate policy for some copper products by the Chinese government resulting in a decrease in the gross profit of overseas sales.

The Company is still in the process of finalising the interim results of the Group for the Current Period. The information contained in this announcement is only based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the Current Period and the information currently available to the Company and have not been audited or reviewed by the Company's auditor, and may be subject to adjustments. Details of the Group's interim results for the Current Period will be disclosed as and when the interim results of the Group for the Current Period is announced, which is expected to be published by the end of August 2025.

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

By Order of the Board
Xingye Alloy Materials Group Limited
HU Minglie
Chief Executive Officer and Executive Director

Hong Kong, 4 August 2025

As at the date of this announcement, the executive directors of the Company are Mr. HU Changyuan, Mr. HU Minglie and Mr. ZHU Wenjun, and the independent non-executive directors of the Company are Mr. CHAI Chaoming, Dr. LOU Dong, Ms. LU Hong and Ms. ZHAO Yan.