MOKINGRAN JEWELLERY GROUP CO., LTD.
夢金園黃金珠寶集團股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2585)

INSIDE INFORMATION
PROFIT WARNING

This announcement is made by MOKINGRAN JEWELLERY GROUP CO., LTD. (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 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 a preliminary review of the unaudited consolidated management accounts of the Group for the six months ended June 30, 2025 and other information currently available to the Board, the Group is expected to record:

(i) revenue ranging from RMB10,400 million to RMB10,500 million for the six months ended June 30, 2025, representing a period-to-period increase in total revenue ranging from 4.2% to 5.2% as compared to that of RMB9,979.7 million for the six months ended June 30, 2024;

(ii) overseas revenue ranging from RMB140 million to RMB150 million for the six months ended June 30, 2025, representing a period-to-period increase in overseas revenue ranging from 273.3% to 300.0% as compared to that of RMB37.5 million for the six months ended June 30, 2024; and

(iii) a loss and total comprehensive expense for the period attributable to owners of the Company ranging from RMB65 million to RMB72 million for the six months ended June 30, 2025 as compared to a profit and total comprehensive income for the period attributable to owners of the Company of RMB47.4 million for the six months ended June 30, 2024, representing a period-to-period decrease ranging from 237.1% to 251.9%.

Despite an expected increase in total revenue of the Group for the six months ended June 30, 2025, the expected change from profit and total comprehensive income for the period attributable to owners of the Company to loss and total comprehensive expense for the period attributable to owners of the Company was primarily attributable to an increase in the losses recorded in Au(T+D) contracts and gold loans, which are expected to be ranging from RMB680 million to RMB700 million for the six months ended June 30, 2025, as compared to loss of RMB345.7 million for the six months ended June 30, 2024.

The Group enters into Au(T+D) contracts solely to mitigate the risks associated with fluctuations in gold prices and it does not engage in speculative activities that falls within the definition under HKFRS 9 for gold price exposure management. Due to the continuous increase in gold prices during the first half of 2025, the Group incurred losses on Au(T+D) contracts and gold loans for the six months ended June 30, 2025 and such losses are immediately reflected under "other gains and losses, net" in our consolidated statements of profit or loss and other comprehensive income. However, the gain associated with the increase in gold price is generally reflected at the time of sale of our products. As we sell our products at prevailing market prices, the increase in revenue derived from sales of our products resulting from an increase in gold price would offset the aforementioned adverse impact on our net profit caused by loss on Au(T+D) contracts and gold loans.

To mitigate the adverse impacts of sharp short-term increase of gold prices, the Company shall continue to implement measures that allow it to more quickly realize the economic gains derived from selling its products at gold prices higher than the average procurement price as gold prices increase. On the other hand, the Company will continue to closely monitor the market reception in increasing gold prices and adapt its business strategy in sales and strengthen its internal control over Au(T+D) operations and gold loans.

The information set out in this announcement is only based on a preliminary assessment by the management of the Company based on the unaudited management accounts of the Group for the six months ended June 30, 2025 and other information currently available to the Company, which has not been reviewed or audited by the Company's auditors and has not been reviewed by the audit committee of the Company. Details of the financial information for the six months ended June 30, 2025 of the Group will be disclosed in the interim results of the Company, which is expected to be published on August 26, 2025.

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

By order of the Board
MOKINGRAN JEWELLERY GROUP CO., LTD.
夢金園黃金珠寶集團股份有限公司
WANG Zhongshan
Chairman and Executive Director

Shandong, the People's Republic of China
August 14, 2025

As at the date of this announcement, the Board comprises (i) Mr. WANG Zhongshan, Ms. ZHANG Xiuqin, Mr. WANG Guoxin and Mr. WANG Zegang as executive directors; and (ii) Mr. Bai Xianyue, Mr. WENG Xin and Mr. DING Xiaodong as independent non-executive directors.