CHINA ORIENTAL GROUP COMPANY LIMITED

中國東方集團控股有限公司 *

(incorporated in Bermuda with limited liability)

(Stock code: 581)

POSITIVE PROFIT ALERT

This announcement is made by China Oriental Group Company Limited (the "**Company**", 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company would like to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on a preliminary review of the Group's unaudited consolidated management accounts for the six months ended 30 June 2025 (the "**Relevant Period**") and the information currently available to the Board, the Group expects to record a net profit of not less than RMB220 million for the Relevant Period, representing an increase in net profit for the Relevant Period by not less than 70%, as compared with the net profit of the Group of approximately RMB123 million for the six months ended 30 June 2024.

Based on the information available to date, such expected increase in net profit of the Group for the Relevant Period is mainly attributable to the combined effects of the following factors, including, among others, (i) a decline in prices of major raw materials, which have a steeper price decreasing trend comparing to that of the steel products; and (ii) the continuous thorough execution of the Group's lean management strategy, in respect of, among others, cost reduction, efficiency improvement, and procurement management optimisation, resulting in an overall reduction of cost per tonne of steel.

The Company is in the process of finalising the interim results of the Group for the Relevant Period. The information contained in this announcement is solely based on the preliminary assessment by the Board of the Group's unaudited consolidated management accounts for the Relevant Period and the information currently available to the Board, which have not been audited or reviewed by the Company's auditor or the audit committee of the Company, and is therefore subject to adjustments.

Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the interim results of the Group for the Relevant Period, which is expected to be published on or before 31 August 2025.

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

By order of the Board
China Oriental Group Company Limited
HAN Jingyuan
Chairman and Chief Executive Officer

Hong Kong, 20 August 2025

As at the date of this announcement, the Board comprises Mr. HAN Jingyuan, Mr. ZHU Jun, Mr. SHEN Xiaoling, Mr. HAN Li, Mr. Sanjay SHARMA and Mr. LI Mingdong being the Executive Directors, Mr. Ondra OTRADOVEC being the Non-executive Director, and Mr. WONG Man Chung Francis, Mr. WANG Bing, Dr. TSE Cho Che Edward and Ms. YU Fang Jing being the Independent Non-executive Directors.

This announcement is published on the websites of the Company (www.chinaorientalgroup.com) and The Stock Exchange of Hong Kong Limited (www.hkexnews.hk).

**For identification purposes only*