China Baoli Technologies Holdings Limited

中國寶力科技控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 164)

VOLUNTARY ANNOUNCEMENT
BUSINESS UPDATE

This announcement is issued by China Baoli Technologies Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis in order to provide shareholders of the Company and potential investors updates to the development of its business.

The Group has made meaningful progress in the deployment of its dry grinding and dry beneficiation ("**DGDB**") business in Mongolia. Through the continued implementation of its project pipeline, the Group is building a foundation for future growth in mineral processing while pursuing more efficient and environmentally responsible approaches to resource development.

MONGOLIA IRON ORE PROJECT

The Mongolia iron ore project has reached an important stage of development following the successful completion of consultancy services provided by the Company to its project partner. This achievement represents a significant milestone in the advancement of the project and reflects the Group's technical capabilities and its growing involvement in the implementation of DGDB solutions.

The procurement of core project equipment has already been completed by the project partner, and part of the equipment has successfully finished customs clearance procedures and has been transported to Mongolia for deployment at the project site. To support the installation, commissioning and operational preparation of the equipment, the Company has dispatched a team of technical specialists to the mine site provide on-site assistance in calibrating and testing of the equipment to ensure performance optimisation.

With the completion of these logistical, administrative, and technical preparations, the project has formally entered its construction phase, positioning all parties for a smooth and coordinated execution going forward. It is anticipated that the first batches of processed iron ore will be available shortly, marking a significant milestone in the Group's operational development.

MONGOLIA COAL ORE PROJECT

The Group has achieved encouraging progress on its Mongolian coal mine processing project. Foundational infrastructure has been established including mining camps, staff quarters, and other essential supporting facilities. Recruitment has been carried out for both mainland and local employees. The Group believes that the development of a capable and locally integrated workforce will be important to the successful execution and long-term operation of the project. Procurement of processing equipment, essential fuels and other raw materials are currently underway. While current groundwork is well in place, the project will require further resources, capital investment and operational preparation before commencement of full-scale production.

Recent developments in the coal market have been favorable with coal prices experiencing a notable improvement and the broader market demonstrating renewed upward momentum. Management considers this positive macro environment provides a timely opportunity to accelerate the development of the Mongolia coal project. The Group will continue to monitor market developments closely and evaluate appropriate measures to advance the projects in a disciplined and commercially viable manner.

STRATEGIC INITIATIVES

Alongside project development, the Group has initiated discussions with a number of established suppliers, distributors and industry participants involved in the trading and distributing of ore products. These discussions are focused on exploring potential off-take arrangements, distribution channels, and long-term sales partnerships for the Group's processed coal and iron ore products. Certain prospective distributors have already commenced due diligence on the Group. This represents a constructive development in the Group's efforts to establish relationships with downstream market participants and to secure potential customers for future production. The Group's objective is to develop reliable off-take channels for the Group's processed coal and iron ore products from its Mongolia projects, thereby ensuring market access and supporting commercial viability as production capacity ramps up.

In parallel with the existing Mongolia iron ore project, the Group has commenced exploring and evaluation activities relating to potential iron ore opportunities across Africa. These efforts are intended to identify projects with sizable and suitable resource potential, development prospects, and strategic relevance to the Group's DGDB business. By exploring opportunities in additional geographical regions, the Group aims to diversify its resource base, broaden its project pipeline, and reduce reliance on any single market or jurisdiction.

The Board believes that the DGDB business represents a significant growth opportunity for the Group and aligns with global industry trends emphasizing sustainable and environmentally responsible mining practices. The Board will continue to monitor the development of this business segment and keep shareholders and potential investors informed of any material developments in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Shareholders and investors of the Company are reminded that this announcement is published as a voluntary announcement to inform the public of the latest business developments of the Company and are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
China Baoli Technologies Holdings Limited
Chu Wei Ning
Executive Director and Chief Executive Officer

Hong Kong, 26 August 2026

As at the date of this announcement, the executive Directors of the Company are Mr. Wang Bin (Chairman), Mr. Zhang Yi (Vice Chairman), Ms. Chu Wei Ning (Chief Executive Officer), and Ms. Lam Sze Man; and the independent non-executive Directors of the Company are Mr. Chan Fong Kong, Francis, Mr. Chan Kee Huen, Michael and Mr. Feng Man.