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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)

CONTINUING CONNECTED TRANSACTIONS

**FRAMEWORK AGREEMENTS WITH
NEMM UPSTREAM JV
REGARDING OPERATIONAL SUPPORT SERVICES AND
PROPERTY LEASING**

**CONTINUING CONNECTED TRANSACTIONS BETWEEN THE GROUP AND
NEMM UPSTREAM JV**

On 25 September 2026, the Company and NEMM Upstream JV entered into the Operational Support Services Framework Agreement and the Property Leasing Framework Agreement for a term commencing on 25 September 2026 and ending on 31 December 2028, pursuant to which the Company and/or its subsidiaries will provide the Business Support Services, the Personnel Secondment Services and the Leasing Services to NEMM Upstream JV.

LISTING RULES IMPLICATIONS

As NEMM Upstream JV is held as to 50% by ArcelorMittal, it is a connected person of the Company and the transactions contemplated under the Framework Agreements constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios (other than the profits ratio) calculated in accordance with Rule 14.07 of the Listing Rules in respect of the highest annual cap for the transactions contemplated under each of (i) the Operational Support Services Framework Agreement and (ii) the Property Leasing Framework Agreement is more than 0.1% but less than 5%, such transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules and are subject to the reporting, annual review and announcement requirements but are exempt from the circular and the independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

On 25 September 2026, the Company and NEMM Upstream JV entered into:

- (1) the Operational Support Services Framework Agreement, pursuant to which the Company and/or its subsidiaries will provide NEMM Upstream JV with various types of business support services, and assign certain staff to NEMM Upstream JV through secondment arrangements; and
- (2) the Property Leasing Framework Agreement, pursuant to which the Company and/or its subsidiaries will lease properties to NEMM Upstream JV.

OPERATIONAL SUPPORT SERVICES FRAMEWORK AGREEMENT

The key terms of the Operational Support Services Framework Agreement are set out as follows:

Date

25 September 2026

Parties

1. The Company
2. NEMM Upstream JV

Term

The Operational Support Services Framework Agreement is valid for an initial term commencing on 25 September 2026 and ending on 31 December 2028 (both dates inclusive). It is renewable upon expiry by mutual agreement of the parties for further terms of up to three years (subject to applicable requirements under the Listing Rules and other applicable laws and regulations).

Subject Matter

The Company and/or its subsidiaries will: (i) provide various types of support services to NEMM Upstream JV in the PRC in connection with its operation (the “**Business Support Services**”), including but not limited to, the provision of office supplies, document processing services, staff accommodation services, car rental and cleaning services, promotional support services, event support services, maintenance and cleaning in relation to office buildings, landscaping and sanitation, security, and fire-safety services; and (ii) assign certain staff to NEMM Upstream JV through secondment arrangements to facilitate its operation (the “**Personnel Secondment Services**”). The Business Support Services and the Personnel Secondment Services shall be conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better and in compliance with the Listing Rules.

The Company and/or its subsidiaries and NEMM Upstream JV will enter into separate underlying agreement(s) and/or order(s) that set out the specific terms and conditions of the Business Support Services and the Personnel Secondment Services according to the principles provided in the Operational Support Services Framework Agreement.

Pricing Policy

The fees payable by NEMM Upstream JV to the Group for the Business Support Services shall be determined after arm’s length negotiations between the parties, with reference to factors including: (i) the expected costs and expenses of the Group in providing the relevant services (for instance, where relevant, the unit prices for the office supplies to be sold to NEMM Upstream JV by the Group and the staff costs); (ii) the anticipated profits of the Group, which may vary according to the nature and extent of the services required; (iii) where relevant and appropriate, the price quotations for services of the same or comparable type, nature and quality and at a similar time in the PRC; and (iv) where relevant and appropriate, comparable transactions between the Group and independent third parties.

The fees payable by NEMM Upstream JV to the Group for the Personnel Secondment Services shall include salaries, social insurance and other benefits of the relevant staff to be assigned by the Group that are payable by the Group in relation to the secondment arrangements pursuant to the Operational Support Services Framework Agreement.

Payment Terms

The terms in relation to the time and method of payment for the Business Support Services and the Personnel Secondment Services shall be determined on an arm’s length basis between the parties when entering into separate underlying agreement(s) and/or order(s) according to the principles provided in the Operational Support Services Framework Agreement.

Historical Transaction Amounts

There were no historical amounts paid or payable by NEMM Upstream JV to the Group for the Personnel Secondment Services. During the period from 1 January 2026 to 24 September 2026, the Group provided the Previous Business Support Services to NEMM Upstream JV, and the total fees paid by NEMM Upstream JV for such services amounted to approximately RMB1,030,000. As all of the applicable percentage ratios (other than the profits ratio) calculated in accordance with Rule 14.07 of the Listing Rules in respect of the Previous Business Support Services do not exceed 0.1%, the Previous Business Support Services are fully exempt from the reporting, announcement and independent shareholders' approval requirements.

Annual Caps

The annual caps for the fees payable by NEMM Upstream JV to the Group for the Business Support Services and the Personnel Secondment Services are set out as follows:

	For the financial year ending 31 December 2026	For the financial year ending 31 December 2027 <i>(RMB million)</i>	For the financial year ending 31 December 2028
Annual cap for the fees payable by NEMM Upstream JV in respect of the Business Support Services	14	19	19
Annual cap for the fees payable by NEMM Upstream JV in respect of the Personnel Secondment Services	26	32	38
Total	<u>40</u>	<u>51</u>	<u>57</u>

Note: The annual cap for the fees payable by NEMM Upstream JV to the Group in respect of the Business Support Services for the financial year ending 31 December 2026 above includes the aforementioned historical transaction amount of the Previous Business Support Services.

The annual caps for the fees payable by NEMM Upstream JV to the Group in respect of the Business Support Services above were determined based on the following factors: (i) the types and extent of services expected to be provided by the Group to NEMM Upstream JV during the term of the Operational Support Services Framework Agreement; (ii) the expected costs of such services; (iii) the anticipated increase in the costs of such services; (iv) the historical transaction amounts; and (v) the need for a buffer for any unexpected increase in the transaction amounts arising from any unexpected increase in operational needs of NEMM Upstream JV or any unexpected increase in relevant costs and expenses.

The annual caps for the fees payable by NEMM Upstream JV to the Group in respect of the Personnel Secondment Services above were determined based on the following factors: (i) the number, seniority and skills of the staff of the Group expected to be assigned to NEMM Upstream JV during the term of the Operational Support Services Framework Agreement and their respective prevailing salaries, social insurance and other benefits; (ii) the expected staffing needs of NEMM Upstream JV; (iii) the anticipated increase in the aggregate costs and expenses of secondments (after taking into account historical changes to salaries and benefits of the relevant staff); and (iv) the need for a buffer for any unexpected increase in the transaction amounts arising from any unexpected increase in staffing needs of NEMM Upstream JV or any unexpected increase in costs and expenses of the secondment arrangements.

PROPERTY LEASING FRAMEWORK AGREEMENT

The key terms of the Property Leasing Framework Agreement are set out as follows:

Date

25 September 2026

Parties

1. The Company
2. NEMM Upstream JV

Term

The Property Leasing Framework Agreement is valid for an initial term commencing on 25 September 2026 and ending on 31 December 2028 (both dates inclusive). It is renewable upon expiry by mutual agreement of the parties for further terms of up to three years (subject to applicable requirements under the Listing Rules and other applicable laws and regulations).

Subject Matter

The Company and/or its subsidiaries agree to lease certain of their respective property(ies) and/or office space(s) in the PRC to NEMM Upstream JV (the “**Leasing Services**”). The Leasing Services shall be conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better and in compliance with the Listing Rules.

The Company and/or its subsidiaries and NEMM Upstream JV will enter into separate underlying leasing agreement(s) that set out the specific terms and conditions of the Leasing Services according to the principles provided in the Property Leasing Framework Agreement.

Pricing Policy

The rent of the property(ies) and/or office space(s) to be leased by the Group to NEMM Upstream JV shall be determined after arm's length negotiations between the parties, with reference to factors including: (i) the prevailing market rental rate for property(ies) and/or office space(s) with comparable conditions (including but not limited to location, rentable area, available facilities and utilities and rental period) in comparable rental markets based on research on similar market comparables; and (ii) where available and relevant, comparable transactions between the Group and independent third parties.

Payment Terms

The terms in relation to the time and method of payment for the Leasing Services shall be determined on an arm's length basis between the parties when entering into separate leasing agreement(s) according to the principles provided in the Property Leasing Framework Agreement.

Historical Transaction Amounts

During the period from 1 January 2026 to 24 September 2026, the Group provided the Previous Leasing Services to NEMM Upstream JV, and the total fees paid by NEMM Upstream JV for such services amounted to approximately RMB230,000. As all of the applicable percentage ratios (other than the profits ratio) calculated in accordance with Rule 14.07 of the Listing Rules in respect of the Previous Leasing Services do not exceed 0.1%, the Previous Leasing Services are fully exempt from the reporting, announcement and independent shareholders' approval requirements.

Annual Caps

The annual caps for the rent payable by NEMM Upstream JV to the Group in respect of the Leasing Services for the financial years ending 31 December 2026, 31 December 2027 and 31 December 2028 are RMB1 million, RMB3 million and RMB5 million, respectively. The annual caps were determined based on the following factors: (i) the type of property(ies) and/or office space(s) expected to be leased by the Group to NEMM Upstream JV during the term of the Property Leasing Framework Agreement; (ii) the historical transaction amounts; (iii) the prevailing market rental rates for such property(ies) and/or office space(s); (iv) the anticipated increase in the foregoing market rental rates; and (v) the future business needs of NEMM Upstream JV. The annual cap for the rent payable by NEMM Upstream JV to the Group in respect of the Leasing Services for the financial year ending 31 December 2026 includes the aforementioned historical transaction amount of the Previous Leasing Services.

INFORMATION ON THE PARTIES

Information on the Company and Group

The Company is an investment holding company with trading of steel products and iron ore business. The Group is principally engaged in the manufacturing and sales of iron and steel products, trading of steel products, iron ore and related raw materials, sales of power equipment and real estate business.

Information on NEMM Upstream JV

NEMM Upstream JV is a company incorporated in the PRC with limited liability and is currently in the process of constructing its production facilities. Its principal business will be designing, building and operating a hot strip mill in the PRC for production of electrical steel grade hot-rolled coil substrates and other products, with production expected to commence in the fourth quarter of 2026.

NEMM Upstream JV is held as to 50% by the Company and 50% by ArcelorMittal, which indirectly holds the entire equity interest of ArcelorMittal Switzerland AG (previously known as ArcelorMittal Holdings AG), a substantial shareholder of the Company.

ArcelorMittal is a company incorporated under the laws of Luxembourg. It is, together with its subsidiaries, principally engaged in steelmaking and mining. ArcelorMittal or its certain affiliates are respectively listed on the stock exchanges of New York (MT), Amsterdam (MT), Paris (MT), Luxembourg (MT) and on the Spanish stock exchanges of Barcelona, Bilbao, Madrid and Valencia (MTS).

REASONS FOR AND BENEFITS OF ENTERING INTO THE FRAMEWORK AGREEMENTS

NEMM Upstream JV is currently in the process of constructing its production facilities and is expected to commence production of electrical steel grade hot-rolled coil substrates and other products in the fourth quarter of 2026. In preparation for its commencement of production and future operations, NEMM Upstream JV requires business and personnel support and office space.

The Company considers that the Framework Agreements will enable the Group to better utilise its existing resources, generate service fees and rental income, and support the development of NEMM Upstream JV, in which the Company holds a 50% equity interest.

The Directors (including the independent non-executive Directors but excluding Mr. Sanjay SHARMA and Mr. Ondra OTRADOVEC, who abstained from voting on the relevant board resolutions for the reasons set out below) are of the view that the Framework Agreements were entered into on an arm's length basis between the Company and NEMM Upstream JV, the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole, and the terms as well as the annual caps for the transactions contemplated thereunder are fair and reasonable.

IMPLICATIONS UNDER THE LISTING RULES

As NEMM Upstream JV is held as to 50% by ArcelorMittal, it is a connected person of the Company and the transactions contemplated under the Framework Agreements constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios (other than the profits ratio) calculated in accordance with Rule 14.07 of the Listing Rules in respect of the highest annual cap for the transactions contemplated under each of (i) the Operational Support Services Framework Agreement and (ii) the Property Leasing Framework Agreement is more than 0.1% but less than 5%, such transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules and are subject to the reporting, annual review and announcement requirements but are exempt from the circular and the independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

As Mr. Sanjay SHARMA and Mr. Ondra OTRADOVEC hold equity interests in ArcelorMittal (which holds 50% equity interests in NEMM Upstream JV), they abstained from voting on the relevant board resolutions approving the proposed annual caps for the Business Support Services, the Personnel Secondment Services and the Leasing Services and the continuing connected transactions contemplated under the Framework Agreements. Other than Mr. Sanjay SHARMA and Mr. Ondra OTRADOVEC, none of the Directors has a material interest in the proposed annual caps for the Business Support Services, the Personnel Secondment Services and the Leasing Services and the continuing connected transactions contemplated under the Framework Agreements. Therefore, apart from Mr. Sanjay SHARMA and Mr. Ondra OTRADOVEC, none of the Directors has abstained from voting on the relevant board resolutions approving the proposed annual caps for the Business Support Services, the Personnel Secondment Services and the Leasing Services and the continuing connected transactions contemplated under the Framework Agreements.

INTERNAL CONTROL

The Group has formulated internal control measures in order to ensure that the Framework Agreements will be conducted in accordance with their respective terms, the relevant pricing policies and the internal procedures adopted by the Group, and that the terms of the transactions thereunder are fair and reasonable, on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole. As such, a control mechanism has been established within the Group to segregate duties relating to the notification and review of continuing connected transactions, including but not limited to, the monitoring and monthly reporting on the transaction value under each of the Framework Agreements to ensure that such amount does not exceed the relevant annual cap. If the transaction value under the Operational Support Services Framework Agreement or the Property Leasing Framework Agreement is expected to exceed the relevant annual cap, the finance department of the Group will be notified so that the necessary assessments and arrangements can be made to comply with the requirements of the Listing Rules. Further, the Company will comply with all relevant requirements under the Listing Rules, including the annual review and/or confirmation by the independent non-executive Directors and auditors of the Company in respect of the actual execution of the transactions contemplated under the Framework Agreements.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“ArcelorMittal”	ArcelorMittal S.A., a company incorporated under the laws of Luxembourg with limited liability indirectly holding the entire equity interest in ArcelorMittal Switzerland AG (previously known as ArcelorMittal Holdings AG), and a substantial shareholder of the Company
“ArcelorMittal Switzerland AG”	previously known as ArcelorMittal Holdings AG, a company incorporated in Switzerland with limited liability and is a substantial shareholder of the Company
“Board”	the board of Directors
“Company”	China Oriental Group Company Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Framework Agreements”	collectively, the Operational Support Services Framework Agreement and the Property Leasing Framework Agreement
“Group”	collectively, the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NEMM Upstream JV”	ArcelorMittal Jinxi New Material (Tangshan) Co., Ltd.* (安賽樂米塔爾津西新材料（唐山）有限公司), a company incorporated in the PRC with limited liability

“Operational Support Services Framework Agreement”	the framework agreement dated 25 September 2026 between the Company and NEMM Upstream JV pursuant to which the Company and/or its subsidiaries agreed to provide the Business Support Services and the Personnel Secondment Services to NEMM Upstream JV for the period from 25 September 2026 to 31 December 2028 (both dates inclusive)
“PRC”	the People’s Republic of China, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Business Support Services”	the Business Support Services provided by the Group to the NEMM Upstream JV during the period from 1 January 2026 to 24 September 2026
“Previous Leasing Services”	the Leasing Services provided by the Group to the NEMM Upstream JV during the period from 1 January 2026 to 24 September 2026
“Property Leasing Framework Agreement”	the framework agreement dated 25 September 2026 between the Company and NEMM Upstream JV pursuant to which the Company and/or its subsidiaries agreed to provide the Leasing Services to NEMM Upstream JV for the period from 25 September 2026 to 31 December 2028 (both dates inclusive)
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

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

Hong Kong, 25 September 2026

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.

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**For identification purposes only*