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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)

## 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 year ended 31 December 2024 (the “**Relevant Year**”) and the information currently available to the Board, the Group expects to record a net profit of not less than RMB200 million for the Relevant Year. This represents a notable improvement in respect of the Group’s results and a significant turnaround from net loss to net profit for the Relevant Year, as compared with the net loss of the Group of approximately RMB196 million recorded for the year ended 31 December 2023.

Based on the information available to date, despite the continued sluggish demand for downstream products in the iron and steel industry, which led to a decline in the average selling price of steel products during the Relevant Year, the Group successfully achieved a turnaround with a substantial increase in gross profit by not less than 120% during the Relevant Year, which is mainly due to a decrease in cost of production as a combined result of the thorough execution of the Group’s lean management strategy in respect of, among others, cost reduction, efficiency enhancement and procurement management optimisation.

The Company is in the process of finalising the annual results of the Group for the Relevant Year. 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 Year 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 carefully review the Company's forthcoming announcement of the Company in relation to the annual results of the Group for the Relevant Year, which is expected to be published on or before 31 March 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, 18 March 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](http://www.chinaorientalgroup.com)) and The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)).*

*\*For identification purposes only*