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China Oriented International Holdings Limited **向中國國際控股有限公司**

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1871)

PROFIT WARNING

This announcement is made by China Oriented International Holdings Limited (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 and potential investors that based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2023, the Group is expected to record a net loss ranging from approximately RMB3.0 million to approximately RMB3.4 million, as compared to a net profit of approximately RMB59,000 for the six months ended 30 June 2022.

The Board believes that the primary reasons for abovementioned change are as follows:

- (I) decrease in revenue from the Group’s driving training service business for both Large Vehicles and Small Vehicles as a result of (i) the impact of overall decrease in the average course fees per hour of driving courses; and (ii) overall decrease in each of the number of trainees who attended our driving courses and the actual number of training hours for both Large Vehicles and Small Vehicles provided by the Group during the six months ended 30 June 2023 due to the decrease in the demand for driving courses due to deterioration of the market conditions of the logistic industry as a result of the continuous US-China trade tensions;

- (II) overall decrease in gross profit and gross profit margin from the Group's driving training service business which was mainly attributable to the abovementioned overall decrease in the average course fees per hour and in each of the number of trainees who attended our driving courses and the actual number of training hours and the fixed depreciation charges of our training field and training motor vehicles and amortisation charges of right-of-use assets; and
- (III) the abovementioned decrease was offset by the decrease in selling and marketing expenses and administrative expenses for the six months ended 30 June 2023 as compared to that of the six months ended 30 June 2022 due to the decrease in sales and marketing and promotion activities and the decrease in employees benefit expenses for administrative staff during the six months ended 30 June 2023, respectively.

The Board wishes to emphasize that the information contained in this announcement is only a preliminary assessment made by the management of the Company based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2023. Such information has not been audited or reviewed by the auditor of the Company.

Details of the financial results and performance of the Group for the six months ended 30 June 2023 will be disclosed in the interim result announcement of the Company, which is expected to be published by the end of August 2023.

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

By Order of the Board
China Oriented International Holdings Limited
Qi Xiangzhong
Chairman and Executive Director

16 August 2023

As at the date of this announcement, the board comprises Mr. Qi Xiangzhong and Ms. Zhao Yuxia as executive Directors; Dr. Yeung Cheuk Kwong as non-executive Director; Mr. Chan Siu Wah, Mr. Wan San Fai Vincent and Mr. Xu Jianpo as independent non-executive Directors.