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寶業集團股份有限公司
BAOYE GROUP COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)
(**Stock Code: 2355**)

Positive Profit Alert

This announcement is made by Baoye Group Company Limited (the “**Company**”) together with its subsidiaries (collectively, 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 wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the information currently available to the Board, the Group is expected to record an increase in net profit not less than 150% for the six months ended 30 June 2023 (the “**Period**”) as compared to the corresponding period in 2022. The Board believes that the substantial increase in profit is mainly attributable to (1) the Group recognised a compensation income of approximately RMB337 million for the mandatory land and housing storage requisition of a wholly-owned subsidiary for the public rail transportation construction from the local government; and (2) the major properties delivered to purchasers in 2023 has been recognised as revenue in the first half of the year.

As at the date of this announcement, the Company is still in the process of finalising unaudited consolidated financial results of the Group for the Period. The information contained in this announcement is based solely on the preliminary review by the Board of the management account of the Group and the information currently available to the Company, which has not been audited by the auditor or reviewed by the audit committee of the Company. Therefore, the actual results of the Group for the Period may differ from the information disclosed in this announcement. Detailed financial information will be disclosed in the interim results announcement of the Company for the Period to be published by the end of August 2023.

Investors and shareholders are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Baoye Group Company Limited*
Pang Baogen
Chairman

Zhejiang, the People's Republic of China
18 August 2023

As at the date of this announcement, the Board comprises Mr. Pang Baogen as Chairman and non-executive Director, six executive Directors, namely, Mr. Gao Lin, Mr. Gao Jun, Mr. Jin Jixiang, Mr. Xu Gang, Mr. Wang Rongbiao and Mr. Xia Feng, and four independent non-executive Directors, namely, Mr. Li Wangrong, Ms. Liang Jing and Mr. Xiao Jianmu and Mr. Fung Ching, Simon.

** For identification purpose only*