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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 ALERT – REDUCTION IN LOSS

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 2024, the Group is expected to record a net loss ranging from approximately RMB2.0 million to approximately RMB2.5 million, as compared to a net loss of approximately RMB3.3 million for the six months ended 30 June 2023.

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 Large Vehicles as a result of the decrease in each of the number of trainees who attended our driving courses and the actual number of training hours for Large Vehicles provided by the Group during the six months ended 30 June 2024 due to the decrease in the demand for driving courses, which had a significant impact on the number of course enrollments of Large Vehicles especially, due to the continuing deterioration of the market conditions of the logistic industry as a result of the continuous US-China trade tensions and the lower threshold for existing Small Vehicles driving schools to enter into the sector of driving training services offering Large Vehicles driving courses which intensified the keen competition in the driving training services market;

- (II) decrease in gross profit and gross profit margin from the Group's driving training service business for Large Vehicles which was mainly attributable to the abovementioned decrease in each of the number of trainees who attended our driving courses and the actual number of training hours for Large Vehicles and the fixed depreciation charges of our training field and training motor vehicles and the amortisation charges of right-of-use assets; and
- (III) the abovementioned decrease was partially offset by the income tax credit recognised for the six months ended 30 June 2024 as compared to the income tax expense recognised for the six months ended 30 June 2023 due to the overprovision of income tax in the prior years.

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 2024. 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 2024 will be disclosed in the interim results announcement of the Company, which is expected to be published by the end of August 2024.

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

15 August 2024

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.