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東岳集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 189)

POSITIVE PROFIT ALERT

This announcement is made by Dongyue Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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 (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2024 (the “**Year**”) and the information currently available, the Group is expected to record (i) an increase by more than 14% in its profit for the Year attributable to owners of the Company; and (ii) an increase by more than 60% in its profit for the Year as well as an increase by more than 43% in its basic and diluted earnings per share for the Year, as compared to that for the year ended 31 December 2023.

Based on the analysis performed using information currently available, the Board considers that the aforementioned increase in profit for the Year was mainly attributable to:

- (i) the government-imposed annual production quota of refrigerant within the industry and the increasing demand for refrigerant in the People’s Republic of China, leading to a significant boost to prices in 2024 compared with 2023; and
- (ii) a decrease in cost and other expenses of the Group as a result of its effective measures relating to cost control, together with loss cutting and profit turning processes of certain loss-making entities within the Group. In particular, Shandong Dongyue Organosilicon Materials Co., Ltd.* (山東東岳有機硅材料股份有限公司), a non wholly-owned subsidiary of the Company, is expected to record a net profit for the Year, as compared to a net loss for the year ended 31 December 2023.

During the Year, the Company completed disposals of equity interests in its two subsidiaries and one associated company and the buy-back of shares in the Company from its then Shareholders, details of which are set out in the circular of the Company dated 30 November 2023. Completion of such disposals happened in March 2024 and the Company ceased to be interested in such equity interests that have been disposed of, while the buy-back shares were cancelled in May 2024. The aforementioned events have led to the increase in profit for the Year attributable to owners of the Company being proportionately less than in the profit for the Year.

The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the Year and information currently available to the Company, and is not based on any figures or information which have been audited or reviewed by the Company's auditors. The actual results of Group for the Year may differ from the information contained in this announcement. Shareholders and potential investors of the Company should refer to the Group's annual results announcement for the Year, which is expected to be published by the end of March 2025, for details of the performance of the Group.

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

By Order of the Board
Dongyue Group Limited
Zhang Jianhong
Chairman

The People's Republic of China, 18 March 2025

As at the date of this announcement, the directors of the Company are Mr. Zhang Jianhong, Mr. Wang Weidong, Mr. Zhang Zhefeng and Ms. Chung Tak Lai as executive directors, and Mr. Ting Leung Huel, Stephen, Mr. Yang Xiaoyong and Mr. Ma Zhizhong as independent non-executive directors.

** for identification purpose only.*