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Grand Ocean Advanced Resources Company Limited

弘海高新資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 65)

PROFIT WARNING AND DATE OF BOARD MEETING

This announcement is made by Grand Ocean Advanced Resources 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 and the Inside Information Provisions 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 (the “**Shareholders**”) and potential investors that, based on the preliminary assessments of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2023 (the “**Unaudited Management Accounts**”) and the latest information available to the Board, the Group is expected to record a loss after tax of approximately HK\$28 million as compared to a profit after tax of approximately HK\$16.7 million for the six months ended 30 June 2022.

The expected loss is primarily attributable to (i) the recognition of expense of approximately HK\$23 million in relation to the settlement agreement entered by an indirect non wholly-owned subsidiary of the Company as disclosed in the Company’s announcements dated 18 July 2023 and 19 July 2023; and (ii) the decrease in revenue from approximately HK\$105.2 million for the six months ended 30 June 2022 to approximately HK\$82 million for the six months ended 30 June 2023 as a result of the decrease in the quantity of coals being sold due to the need to change of mining location within the coal mining license. During the six months ended 30 June 2023, approximately 408,000 tonnes of coals were sold as compared to approximately 495,000 tonnes in the corresponding period in 2022.

As at the date of this announcement, the Company is still in the process of finalising the Unaudited Management Accounts. The information contained in this announcement is only based on the Board's preliminary assessments on the Unaudited Management Accounts and other information currently available to the Company and is not based on any financial data or information that has been audited by the Company's independent auditor. The results announcement of the Group for the six months ended 30 June 2023 is expected to be published by the Company on 25 August 2023.

DATE OF BOARD MEETING

The Board announces that a meeting of the Board will be held on Friday, 25 August 2023, for the purposes of, among other things, considering and approving the unaudited interim results of the Group for the six months ended 30 June 2023 and its publication and considering the recommendation of the payment of an interim dividend (if any).

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

By order of the Board
Grand Ocean Advanced Resources Company Limited
Ng Ying Kit
Executive Director

Hong Kong, 14 August 2023

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Ng Ying Kit, Mr. Leung Ka Hong, Mr. Guo Jianpeng and Mr. Tao Ye; two non-executive Directors, namely Mr. Hu Xiutong and Mr. Zhou Hongliang; and three independent non-executive Directors, namely Mr. Lee Wai Ming, Mr. Chang Xuejun and Mr. Ho Man.