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(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1397)

POSITIVE PROFIT ALERT

This announcement is made by Baguio Green Group Limited (the "Company", and 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 (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. This announcement is made by the Company on a voluntary basis.

The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company and potential investors that, based on the information currently available and the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2025 (the "**Reporting Period**"), the Group is expected to record a profit after tax of not less than HK\$58 million for the Reporting Period, representing an increase of not less than 125% as compared to that of HK\$25.8 million for the six months ended 30 June 2024 (the "**Prior Period**").

This significant increase was mainly attributable to (i) an improvement in gross profit margin, which rose from 7.5% in the Prior Period to 10%, reflecting the successful implementation of effective operating cost control measures and enhanced operational efficiency; (ii) a gain from the disposal of underutilized property, plant, and equipment; and (iii) a significant reduction in finance costs during the Reporting Period.

This positive profit alert announcement is based solely on the preliminary assessment made by the Board with reference to the management's estimates after taking into account the information currently available (including the unaudited consolidated management accounts of the Group for the Reporting Period). The Company is in the process of finalizing the interim results of the Group for the Reporting Period. Information in this announcement has not been reviewed or audited by the auditors of the Company, or reviewed by the audit committee of the Company. The Board will continue to assess the Group's financial performance and operation, and the interim results of the Group for the Reporting Period are subject to adjustment and may differ from the information disclosed herein. Shareholders and potential investors are advised to read carefully the interim results announcement of the Group, which is expected to be published by the end of August 2025.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board of

Baguio Green Group Limited

Ng Wing Hong

Chairman

Hong Kong, 7 August 2025

As at the date of this announcement, the Board comprises Mr. Ng Wing Hong, Ms. Ng Yuk Kwan Phyllis, and Ms. Leung Shuk Ping as executive directors of the Company and Mr. Sin Ho Chiu, Mr. Lau Chi Yin Thomas, Professor Cheng Edwin Tai Chiu and Mr. Chan Kin Kan as independent non-executive directors of the Company.