

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



南京三寶科技股份有限公司
NANJING SAMPLE TECHNOLOGY CO.,LTD.*

(a joint stock limited company incorporated in the People’s Republic of China with limited liability)
(Stock Code: 1708)

PROFIT WARNING

This announcement is made by Nanjing Sample Technology Co., 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 (the “Listing Rules”) and 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 of directors (the “Directors”) of the Company wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that, based on the preliminary assessment by the Group’s management of the latest available unaudited consolidated management accounts of the Group for the year ended 31 December 2020, the Group is expected to record a net loss attributable to shareholders of the parent company for the year ended 31 December 2020 in a range from approximately RMB135 million to RMB145 million as compared to the net profit attributable to shareholders of the parent company of approximately RMB107 million was recorded for the year ended 31 December 2019.

Such loss was primarily attributable to, among other factors, the following reasons:

- 1) The delay in project bidding and commencement of work for some projects resulted by the cities lockdown and quarantine for inbound persons as influenced by the novel coronavirus (COVID-19) epidemic for the year 2020 causing a decrease on the overall revenue of the Group. It is expected that the revenue of the Group for the year 2020 will be decreased by approximately 30%-40% as compared to that of year 2019.
- 2) As influenced by COVID-19, recovering of receivables was not as expected due to the delay in payment by customers resulted to the increase on the provision for impairment. It is expected that the provision for impairment will be approximately RMB150 million to RMB160 million for the year 2020.

The Group is still in the process of finalizing its audited annual results for the year ended 31 December 2020. The information contained in this announcement is only a preliminary assessment based on the latest unaudited consolidated management accounts of the Group for the year ended 31 December 2020, which have not been audited or reviewed by the auditor and the audit committee of the Company and may be subject to adjustments. Shareholders and potential investors of the Company are advised to read carefully the Company's audited annual results announcement for the year ended 31 December 2020, which is expected to be published by the end March 2021.

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

By order of the Board
Nanjing Sample Technology Company Limited*
Sha Min
Chairman

Nanjing, the PRC, 13 March 2021

As at the date hereof, the executive directors are Mr. Sha Min (Chairman), Mr. Ma Fengkui, Mr. Zhang Junmin, the non-executive director is Mr. Chang Yong; and the independent non-executive directors are Mr. Hu Hanhui, Mr. Gao Lihui and Mr. Niu Zhongjie.

** for identification purpose only*