中國白銀集團
CHINA SILVER GROUP

CHINA SILVER GROUP LIMITED
中國白銀集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 815)

POSITIVE PROFIT ALERT

This announcement is made by China Silver 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 and 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 Group's unaudited consolidated management accounts for the year ended 31 December 2020 ("**FY2020**") (which have not been confirmed, reviewed or audited by the Company's auditors or audit committee, and may be subject to adjustment) and other information currently available to the Group, the Group expects to record a net profit attributable to owners of the Company of RMB210 million to RMB230 million for FY2020, as compared to a net loss attributable to owners of the Company of approximately RMB116 million for the year ended 31 December 2019 ("**FY2019**"). Such expected turnaround from loss to profit is mainly attributable to the following factors:

(i) the absence of non-recurring impairment loss on goodwill for FY2020, as compared to such loss of approximately RMB330 million for FY2019 associated with the Group's silver exchange segment; and

(ii) the absence of one-off and non-cash share-based payment expenses for FY2020, as compared to such expenses of approximately RMB83 million for FY2019 associated with the Group's new jewellery retail segment operated under the Company's non-wholly-owned subsidiary CSMall Group Limited (stock code: 1815) ("**CSMall**").

The aforesaid factors have outweighed the decline in the sales under the Group's new jewellery retail segment during FY2020 as well as certain one-off net losses recorded by CSMall and its subsidiaries for FY2020. For further details, please refer to CSMall's announcement dated 15 March 2021.

The Company is still in the process of finalizing its annual results for FY2020. Detailed financial information and performance of the Group for FY2020 will be disclosed in the Company's annual results announcement for FY2020 which is expected to be published by the end of March 2021.

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

By order of the Board
China Silver Group Limited
Chen Wantian
Chairman

Hong Kong, 15 March 2021

As at the date of this announcement, the executive directors of the Company are Mr. Chen Wantian, Mr. Song Guosheng and Mr. Liu Jiandong; and the independent non-executive directors of the Company are Mr. Song Hongbing, Dr. Li Haitao and Dr. Zeng Yilong.