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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 “**Board**”) 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 2024, the Group is expected to record a net loss attributable to shareholders of the parent company for the year ended 31 December 2024 of approximately RMB380 million to RMB440 million, whereas a net profit attributable to shareholders of the parent company of RMB1.99 million was recorded for the year ended 31 December 2023.

The expected loss of the Group during the period is mainly due to: 1) the payment and settlement of engineering projects were below expectations, which led to a significant increase in the proportion of provisions for credit impairment and contract asset impairment, resulting in a substantial increase in provisions compared to the same period last year; 2) as a result of the execution of the litigation case involving the Group’s subsidiary, which the Company bore joint liability for debt repayment (the ‘**Litigation**’), the Group incurred a loss of approximately RMB150 million (For details on the Litigation, please refer to the Company’s announcement dated 6 November 2024); 3) market demand contraction and intensified industry competition have resulted in some projects being won with strategically low bids, thereby compressing profit margin. In addition to the rising procurement costs, causing a decline in the Group’s overall revenue and gross profit margin.

* For identification purposes only

The Group is still in the process of finalizing its audited annual results for the year ended 31 December 2024. 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 2024, 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 for the year ended 31 December 2024, which is expected to be published by the end of March 2025.

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 Co., Ltd.*
Sha Min
Chairman

Nanjing, the PRC, 12 March 2025

As at the date of this announcement, the executive Directors are Mr. Sha Min (Chairman), Mr. Ma Fengkui and Mr. Liu Min, the non-executive director is Mr. Liu Fei, and the independent non-executive Directors are Mr. Hu Hanhui, Mr. Gao Lihui and Ms. Chung Yuet Mei.