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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)

POSITIVE PROFIT ALERT
AND
CONTINUED SUSPENSION OF TRADING

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).

Reference is made to the Company’s announcement dated 21 March 2024 (the “**Announcement**”), among other matters, in relation to the delay in publication of annual results announcement for the year ended 31 December 2023. Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

The board of directors (the “**Board**”) of the Company wishes to inform 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 2023 (“**FY2023**”), the Group is expected to record a net profit attributable to shareholders of the parent company for FY2023 of approximately RMB1.5 million to RMB2.2 million as compared with the net loss attributable to shareholders of the parent company of approximately RMB273 million for the year ended 31 December 2022, realizing a turnabout from loss to profit.

The turnaround from loss to profit of the Company's results for the reporting period was mainly due to 1) implementation of stringent control on project procurement costs led to an increase of gross profit, and gross profit margin increased significantly; 2) optimization of the organizational structure through refined management which significantly reducing costs and increasing efficiency, resulting in a year-on-year decrease in overall expenses; 3) the Company's investment property was evaluated at the end of the period, its fair value increased.

The Group is still in the process of finalizing its audited 2023 Annual Results. The information contained in this announcement is only a preliminary assessment based on the latest unaudited consolidated management accounts of the Group for FY2023, 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 2023 Annual Results, which is expected to be published on 25 April 2024.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the securities of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 April 2024, and will remain suspended until further notice.

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., Limited*
Sha Min
Chairman

Nanjing, the PRC
22 April 2024

As at the date hereof, the executive Directors are Mr. Sha Min (Chairman), Mr. Ma Fengkui and Mr. Liu Min, the non-executive director is Ms. Cai Lijuan; and the independent non-executive directors are Mr. Hu Hanhui, Mr. Gao Lihui and Mr. Niu Zhongjie.

* *For identification purpose only*