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**Lingbao Gold Group Company Ltd.**

**靈寶黃金集團股份有限公司**

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 3330)**

## **POSITIVE PROFIT ALERT**

This announcement is made by Lingbao Gold Group Company Ltd. (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 in the Listing Rules) under 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**”) is pleased to inform the shareholders of the Company (the “**Shareholders**”) and the prospective investors of the Company that the Group expects to record a net profit of approximately RMB60 million to RMB80 million for the year ended 31 December 2020, as compared to a net loss of approximately RMB252 million for the year ended 31 December 2019, according to the preliminary assessment made by the Group over the unaudited consolidated management accounts for the year ended 31 December 2020 and the information currently available to the Board.

The Board believes that such expected turnaround is attributable to the fact that the output of gold bullion from gold concentrates in the smelting segment and the output of gold in the mining segment increased as compared to that in 2019, because the Group overcame the impact of the COVID-19 pandemic and strengthened the internal management, while the average selling price of gold bullion increased significantly during the year ended 31 December 2020. Furthermore, the Group optimized its relevant business processes with relevant supporting reforms and measures introduced, and implemented the measures to reduce costs and improve efficiency, as a result of which the overall gross profit margin increased.

As at the date of this announcement, the auditing process for the annual results for the year ended 31 December 2020 has not been completed. This positive profit alert announcement is made only based on the preliminary review on the unaudited management accounts of the Group and the current information available, which has not been audited or reviewed by the auditors of the Company or the audit committee of the Company and may be subject to adjustments following further review. The audited annual results of the Group for the year ended 31 December 2020 will be announced by the end of March 2021 in accordance with the Listing Rules.

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

By order of the Board  
**Lingbao Gold Group Company Ltd.**  
**Mr. Chen Jianzheng**  
*Chairman*

Henan, the PRC, 4 March 2021

*As at the date of this announcement, the Board of the Company comprises four executive directors, namely Mr. Chen Jianzheng, Mr. Xing Jiangze, Ms. Zhou Xing and Mr. Zeng Xiangxin; three non-executive directors, namely Mr. Zhang Feihu, Mr. Shi Yuchen and Mr. Wang Leo; and four independent non-executive directors, namely Mr. Xu Rong, Mr. Han Qinchun, Mr. Wang Jiheng and Mr. Wang Guanghua.*