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**CHINA TIANBAO GROUP DEVELOPMENT COMPANY LIMITED**  
**中國天保集團發展有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1427)**

**PROFIT WARNING**

This announcement is made by China Tianbao Group Development Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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**”) wishes to inform shareholders (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary estimation on the unaudited consolidated management accounts of the Group for the year ended December 31, 2022 (the “**Year**”) and other information currently available to the management of the Company, the expected net loss of the Group for the Year will be around RMB400,000,000 (for the year ended December 31, 2021 (the “**Corresponding Period Last Year**”): net profit of RMB41,808,000).

The Board believes that the net loss recorded for the Year is mainly due to the following factors: (i) the area of the properties delivered by the Group during the Year was less than that of the Corresponding Period Last Year; (ii) lower revenue and gross profit of the properties delivered by the Group during the Year regarding a decrease in the number of properties sold at a price lower than expected resulting from the outbreak of COVID-19 Pandemic and China’s regulatory policies imposed on the real estate market (including the restrictions on purchase and pricing of houses); (iii) in order to ensure the collection of payment from the construction contracting business, the Group reduced the number of contracts for general construction contracting involving the business of property developers, resulting in lower profit from construction contracting due to the decrease in revenue from building construction; (iv) the Group increased the provision for impairment of financial and contract assets on a prudent basis; and (v) leasing of Tianbao Plaza (天保廣場) led to the said investment property recorded a fair value loss for the initial valuation.

The information set out in this announcement is only based on a preliminary assessment by the management of the Company based on the unaudited consolidated management accounts of the Group for the Year and other information of the Company currently available, which has not been reviewed or audited by the auditors and the audit committee of the Company. Therefore, the financial results of the Group for the Year may be different from the information disclosed in this announcement. Details about the financial results and performance of the Group to be disclosed in the results announcement of the Company for the Year shall prevail. Shareholders and potential investors should read carefully the results announcement of the Group for the Year which is expected to be issued by the end of March 2023.

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

By order of the Board  
**China Tianbao Group Development Company Limited**  
**Li Baotian**  
*Chairman of the Board and Executive Director*

Hong Kong, March 7, 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Li Baotian, Ms. Shen Lifeng, Ms. Wang Xinling, Mr. Li Yaruixin, Ms. Wang Huijie and Mr. Zang Lin; and the independent non-executive directors of the Company are Mr. Li Xu, Mr. Li Qingxu and Mr. Hou Liang.*