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PRECIOUS DRAGON TECHNOLOGY HOLDINGS LIMITED

保寶龍科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1861)

POSITIVE PROFIT ALERT

This announcement is made by Precious Dragon Technology Holdings 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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2022 (the “**Period**”), the Group is expected to record a significant increase in net profit attributable to the Shareholders by not less than 70% as compared to the net profit attributable to the Shareholders of approximately HK\$7.1 million for the six months ended 30 June 2021.

Based on the information available to the Board, the Board considers that such expected increase in net profit was mainly attributable to, among other things, (i) the Group’s continuous efforts in enhancing operational management, executing marketing strategies and improving control over production costs in order to reduce the negative impact of the prolonged COVID-19 pandemic on the Group’s operations; and (ii) the implementation of strict cost control measures to reduce the overall selling and administrative expenses.

As at the date of this announcement, the Company is still in the course of preparing the interim results of the Group for the Period. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the Period, which have not been reviewed by the Company’s auditors or the audit committee of the Board. Such financial information will be subject to finalisation and necessary adjustments. The interim results of the Group for the Period are expected to be announced by the Company before the end of August 2022. Shareholders and potential investors are advised to read the interim results announcement of the Company when it is published.

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

By order of the Board
Precious Dragon Technology Holdings Limited
保寶龍科技控股有限公司

Ko Sau Mee
Chairlady and Executive Director

Hong Kong, 9 August 2022

As at the date of this announcement, the executive Directors are Ms. Ko Sau Mee, Ms. Lin Hing Lei, Mr. Lin Hing Lung and Mr. Yang Xiaoye; and the independent non-executive Directors are Mr. Lee Yiu Pui, Mr. Poon Tak Ching and Mr. Pang Cheung Wai Thomas.