

**29 October 2018**  
**For immediate release**

**THE INFORMATION COMMUNICATED IN THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION EU NO. 596/2014 ("MAR").**

**Zibao Metals Recycling Holdings Plc**

("Zibao" or "the Company" or "the Group")

**Impact of new regulation**

We refer to our announcement dated 9 July 2018 regarding the impact of the new regulations which came into effect in 2018 and our Final Results statement released on 19 September 2018.

There has been little change or improvement in the last six weeks and, as a result and as previously stated, the Group expects there to be a significant and negative impact on trading volumes affecting both turnover and profitability for the first half of the year, which may also result in an overall loss for the year ending 31 March 2019.

To mitigate the effects of the new trading environment, which is affecting all operators in our market place, the Group has undertaken a review, which is on-going, of costs with a view to reducing these wherever possible to manage our cash resources.

On the supply side, the Group is also continuing to try and identify new suppliers able to comply with the new regulations. However, the number of such suppliers appears limited and the economic viability of sourcing such supplies for the China market will be a major consideration.

The Group is continuing to explore new sources of supply as best it can, but the Board remains cautious as to the speed of transition to new supply arrangements.

The Board will continue to update shareholders as appropriate and, as in prior years, the Group expects to announce its interim results, for the period ended 30 September 2018, in December.

~ End ~

For further information please contact:

**Zibao Metals Recycling Holdings Plc**

Wenjie "Joe" Zhou, Chairman  
Jianfeng "Eddy" Li, Chief Executive Officer  
Chor Wei "Alan" Ong, Finance Director  
[www.zibaometals.com](http://www.zibaometals.com)

**+852 2769 7662**

**SPARK Advisory Partners Limited (Nominated Adviser)**

Mark Brady  
Neil Baldwin  
[www.sparkadvisorypartners.com](http://www.sparkadvisorypartners.com)

**+44 (0) 203 368 3551**

**SI Capital Ltd (Broker)**

Nick Emerson  
[www.sicapital.co.uk](http://www.sicapital.co.uk)

**+44 (0)1483 413500**

