



A Leader in China's Gold Jewelry Market



*2019 First Quarter
Financial Results Conference Call
May 16, 2019, at 8:30 AM ET*

Forward Looking Statement



This corporate presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which can be identified by the use of words such as "believes," "expects," "may," "will," "intends," "plans," "estimates," or "anticipates" or other comparable terminology as well as future or conditional verbs such as "will," "should," "would," or "could." Such statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from the results expressed or implied by such statements, including changes from anticipated levels of sales, future international, national or regional economic and competitive conditions, changes in relationships with customers, access to capital, difficulties in developing and marketing new products and services, marketing existing products and services, customer acceptance of existing and new products and services and the risks and uncertainties described in the Company's most recent annual report on Form 10-K and the Company's quarterly reports on Form 10-Q. Accordingly, although the Company believes that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. The Company has no obligation to update or reuse the forward-looking information contained in this presentation. All forward-looking statements are qualified in their entirety by this cautionary statement.



Kingold ~ 2019 First Quarter Financial Highlights



- **Net sales decreased** by 15.9% to \$453.5 million
- **Processed 22.0 metric tons of 24-karat gold products**, compared to 23.3 metric tons in 2018Q1
- **Net income was \$6.4 million**, or \$0.10 per diluted share

Metric Tons of Gold Processed				
Three Months Ended:				
	March 31, 2019		March 31, 2018	
	Volume	% of Total	Volume	% of Total
Branded**	11.2	50.9%	13.0	55.8%
Customized***	10.8	49.1%	10.3	44.2%
Total	22.0	100.0%	23.3	100%



** Branded Production: The Company acquires gold from the Shanghai Gold Exchange to produce branded products.

*** Customized Production: Clients who purchase customized products supply gold to the Company for processing.

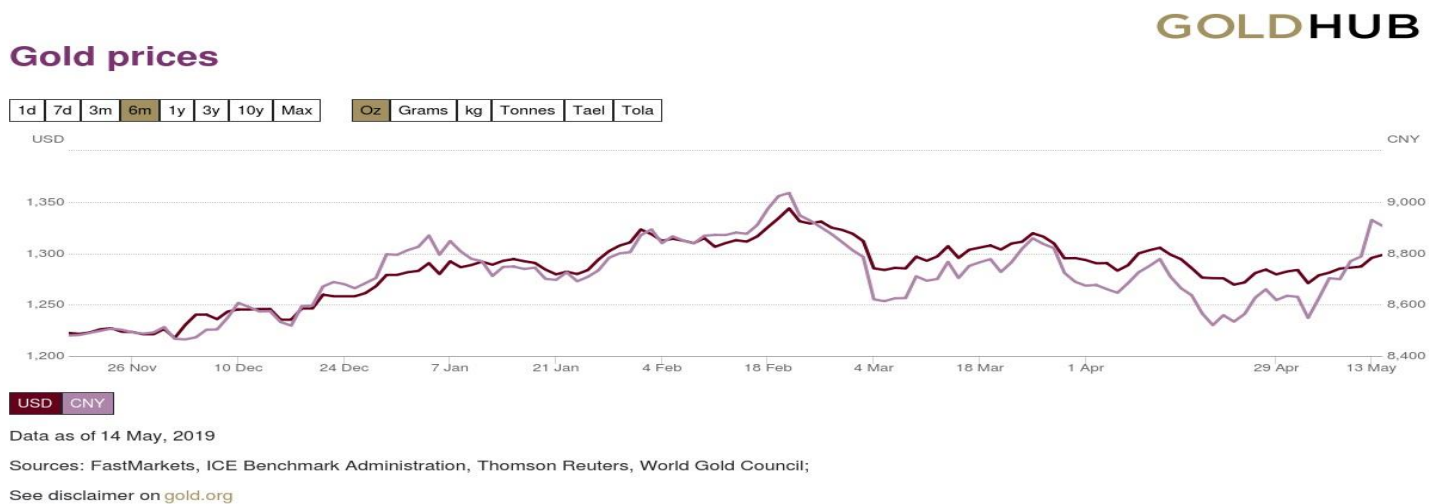
* Attributable to common stockholders

China's Gold Demand Trend for 2019Q1



- Chinese consumers were relatively conservative in their jewelry buying in Q1. *
 - Demand softened by 2%
 - regardless of the lack of growth, China's jewelry market continued to innovate and develop.
- Retail investment demand in China fell 8% in Q1. *
 - many retail investors in China were more focused on the surging stock market

World Gold Council – 2019 First Quarter Gold Price Chart



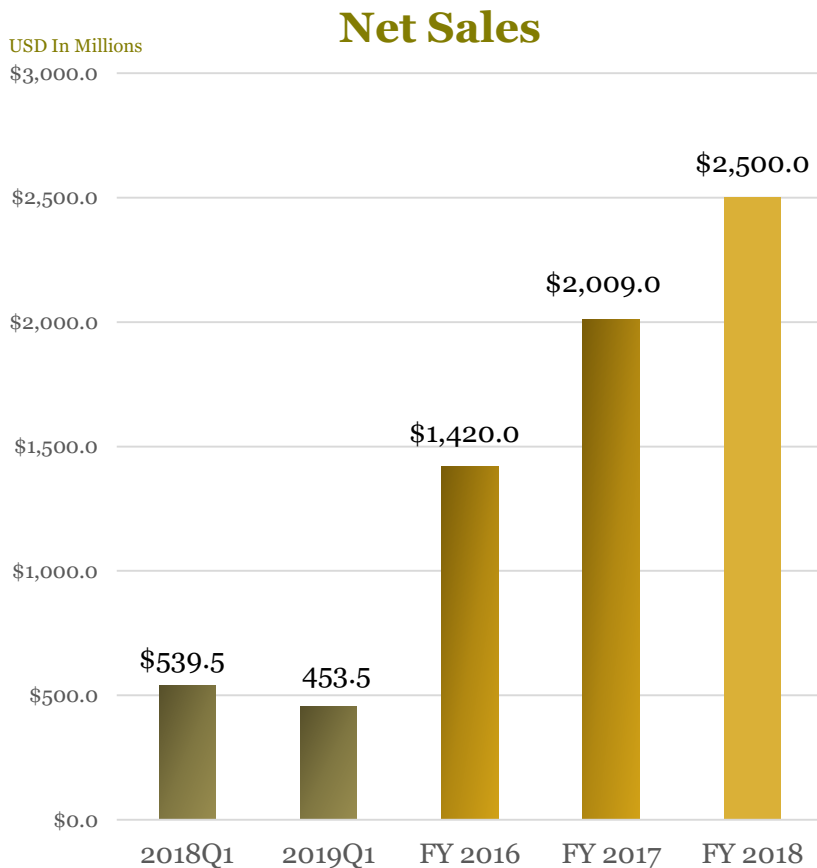
From World Gold Council – Interactive Chart





2019 First Quarter Financial Highlights

Net Sales and Gross Profit



Net sales for the three months ended March 31, 2019 amounted to \$453.5 million, an decrease of \$86 million, or 15.9%, from net sales of \$539.5 million for the three months ended March 31, 2018.



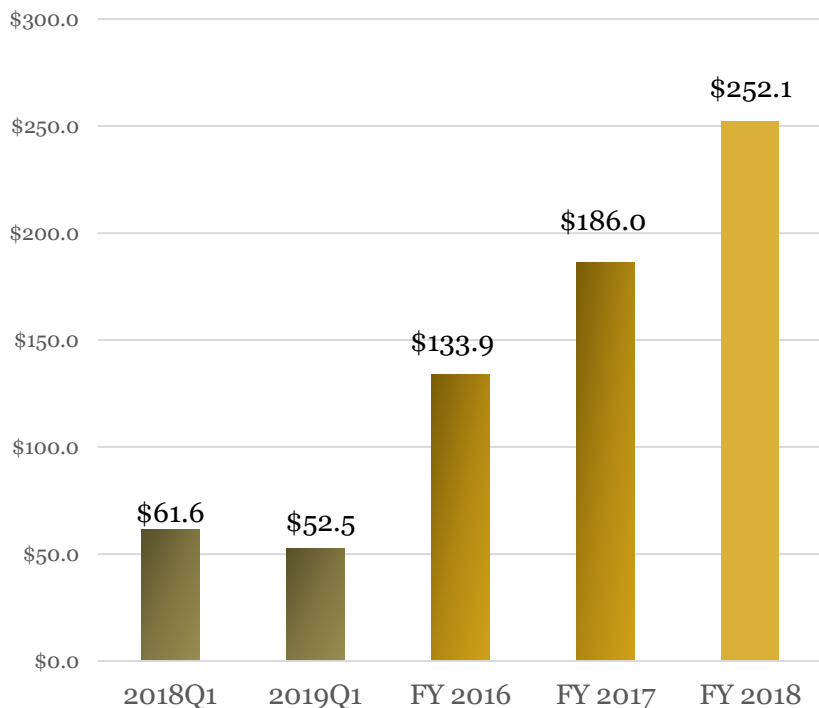
Gross margin for the three months ended March 31, 2019 was 12.2%, compared to 11.9% for the same period in 2018. The primary reason for the increase in gross margin was due to the increased average selling price of our branded production and customized production sales.





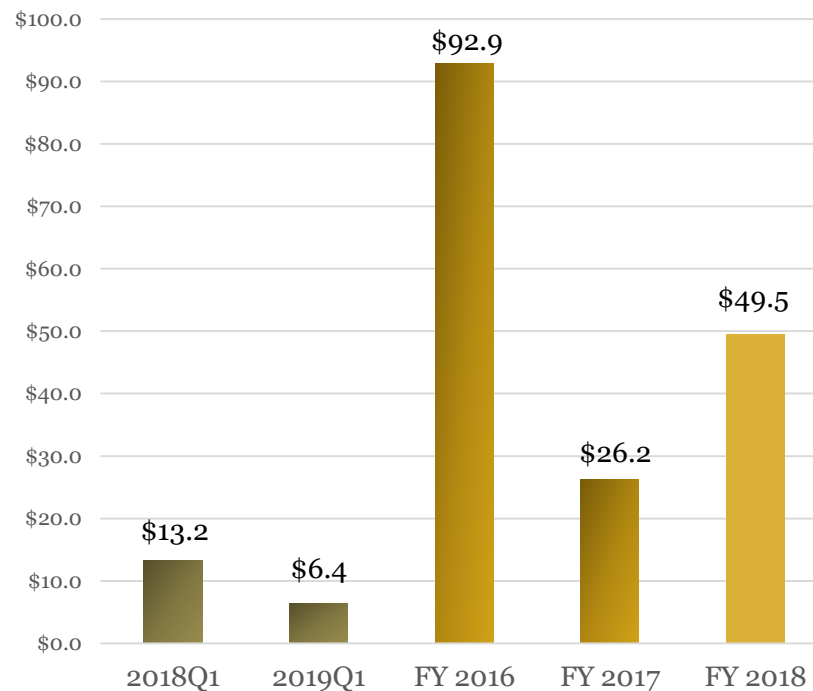
Operating Income

USD In Millions



Net Income*

USD In Millions



Net income for the three months ended March 31, 2019 was \$6.4 million, or \$0.10 per diluted share based on 66.1 million weighted average diluted shares outstanding, compared to net income of \$13.2 million in the prior year period, or \$0.20 per diluted share based on 66.5 million weighted average diluted shares outstanding in the prior-year period.



Select Balance Sheet Data



(In USD 000s)	At March 31, 2019 (Unaudited)	At December 31, 2018 (Audited)
Cash and cash equivalents, excluding restricted cash	\$926	\$233
Accounts receivable	-	\$451
Inventories (Gold)	\$163,849	\$127,035
Total Current Assets	\$2,632,680	\$1,985,745
Total Assets	\$2,872,796	\$2,699,814
Short-term Loans / Bank Notes	\$1,600,320	\$1,034,948
Debts Payable, net	-	-
Total Current Liabilities	\$1,712,890	\$1,148,455
Total Liabilities	\$2,240,839	\$2,061,479
Total Equity	\$631,956	\$638,335
Total Liabilities and Equity	\$2,872,796	\$2,699,814





Based on its existing resources and capacity, the Company reiterates its previously announced belief that gold processed will be between **110 to 120** metric tons during 2019.



Contact Information

Kingold Jewelry, Inc.

Bin Liu, CFO

China Tel: +86-27-6569-4977

US Tel: 847-660-3498

Email: bl@kingoldjewelry.com
binliu888@gmail.com

The Equity Group Inc.

Katherine Yao, Senior Associate

Tel: +86 010 6587 6435

Email: kyao@equityny.com

www.kingoldjewelry.com

