*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

慧聪集团
HC GROUP

# HC GROUP INC.

# 慧聰集團有限公司

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

**(Stock Code: 02280)**

# PROFIT WARNING

This announcement is made by HC Group Inc. (the "**Company**" and together with its subsidiaries, the "**Group**") pursuant to Part XIVA of the Securities and Futures Ordinance and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The board (the "**Board**") of directors of the Company wishes to inform the shareholders of the Company and potential investors that based on a preliminary assessment of the unaudited consolidated management accounts of the Group and information currently available, the Group is expected to record a decrease of approximately 28% in revenue for the six months ended 30 June 2020 (the "**2020 Interim Period**"), as compared to the corresponding period in 2019, and a loss attributable to equity holders of the Company in a range from approximately RMB230,000,000 to RMB250,000,000 for the 2020 Interim Period as compared to a loss attributable to equity holders of the Company of approximately RMB163,964,000 for the corresponding period in 2019.

Based on information currently available, the Board is of the view that the Company's trading revenue has substantially decreased as the orders placed by the Group's trading business customers were reduced due to the adverse impacts of the outbreak of novel coronavirus epidemic (COVID-19) (the "**Epidemic**"); and that the loss attributable to equity holders of the Company is mainly due to, among other things: (i) impairment of intangible assets and other non-current assets to be recognized by the Company for those business units which failed to achieve the expected results; (ii) further impairment provisions for the financial assets to be made by the Company in light of the adverse impact of the Epidemic and economic environment; and (iii) the Group further contributing its resources to continue promoting the strategic iteration of industrial internet and the construction of transaction scenarios.

As the Company is still in the process of preparing the financial results for the 2020 Interim Period, the information contained in this announcement is only based on a preliminary assessment of the unaudited management accounts of the Group and information currently available. It is not based on any data or information being audited or reviewed by the auditors or the audit committee of the Company.

Further information and other details of the Group's financial results for the 2020 Interim Period will be disclosed in the forthcoming interim results announcement of the Company, which is expected to be published in late August 2020.

**Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.**

By Order of the Board
**HC Group Inc.**
**Liu Jun**
*Chairman*

Hong Kong, 31 July 2020

As at the date of this announcement, the Board comprises:

Mr. Liu Jun *(Executive Director and Chairman)*
Mr. Zhang Yonghong *(Executive Director and Chief Executive Officer)*
Mr. Liu Xiaodong *(Executive Director and President)*
Mr. Guo Fansheng *(Non-executive Director)*
Mr. Sun Yang *(Non-executive Director)*
Mr. Lin Dewei *(Non-executive Director)*
Mr. Zhang Ke *(Independent non-executive Director)*
Mr. Zhang Tim Tianwei *(Independent non-executive Director)*
Ms. Qi Yan *(Independent non-executive Director)*