HUAZHANG TECHNOLOGY HOLDING LIMITED
華章科技控股有限公司

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

(Stock code 1673)

UPDATE ON PROFIT WARNING

This announcement is made by Huazhang Technology Holding 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 (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).

Reference is made to the profit warning announcement of the Company dated 21 February 2020 (the "**Announcement**"), in which it was disclosed that the Group's unaudited interim results for the six months ended 31 December 2019 was expected to deteriorate. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

Further to the information disclosed in the Announcement and based on the preliminary assessment of the unaudited management accounts of the Group for the six months ended 31 December 2019 and the information currently available, the Board wishes to inform the Shareholders and potential investors that the Group is expected to record a loss attributable to owners of the parent amounting to approximately RMB45.0 million for the six months ended 31 December 2019, as compared to the loss of RMB35.5 million for the for the six months ended 31 December 2018.

The information contained in this announcement is only a preliminary assessment by the Board according to the unaudited management accounts for the six months ended 31 December 2019 as well as operational data available which have not been reviewed by the Company's auditor and therefore may subject to amendments and valuation adjustments. Shareholders and potential investors are advised to refer to details in the interim results announcement of the Company for the six months ended 31 December 2019 which is expected to be published on 28 February 2020.

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

By order of the Board
Huazhang Technology Holding Limited
Zhu Gen Rong
Chairman

Hong Kong, 24 February 2020

As at the date of this announcement, the executive directors are Mr. Zhu Gen Rong, Mr. Wang Ai Yan, Mr. Liu Chuan Jiang and Mr. Jin Hao, and the independent non-executive directors are Mr. Dai Tian Zhu, Mr. Kong Chi Mo and Mr. Heng ,Keith Kai Neng.