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TRIGIANT
— 俊知集团 —

TRIGIANT GROUP LIMITED
俊知集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1300)

PROFIT WARNING

This announcement is made by Trigiant Group Limited ("**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 ("**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules).

The board ("**Board**") of directors of the Company wishes to inform the shareholders and potential investors of the Company that based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Company for the six months ended 30 June 2020 ("**2020H1**") and the information currently available to the Company, the Company is expected to record a loss of approximately RMB125.6 million for 2020H1 as compared to the unaudited profit of approximately RMB233.5 million recorded for the six months ended 30 June 2019 ("**2019H1**"). This is primarily attributable to the following factors:

(1) the global COVID 19 pandemic ("**Pandemic**") has hindered the construction progress of 5G base stations of telecommunications companies in various countries in the first quarter of 2020, which affected the Company's orders and temporarily disrupted the production and upstream supply chain of the Group. As a result, the Group is expected to record a turnover of approximately RMB1,158.5 million for 2020H1, a decrease of 44.9% as compared with the turnover for 2019H1 (approximately RMB2.1 billion). The Group's gross profit for 2020H1 was approximately RMB207.8 million, representing a decrease of 48.9% as compared with the gross profit for 2019H1 (approximately RMB406.9 million);

(2) as regards the Company's trade receivables for 2020H1, the three major telecommunications operators in China and China Tower Corporation Limited* (中國鐵塔股份有限公司) accounted for 98% of the total trade receivables. Due to the Pandemic, strict prevention and protection policies were adopted in various regions of the PRC to curb the spread of the Pandemic. As most of the major customers of the

Group worked from home, the settlement process was delayed and has resulted in an increase in the balance and aging of trade receivables. Therefore by application of HKFRS 9 and adoption of the provision matrix in calculating the expected credit losses on trade receivables, based on the Group's preliminary assessment, impairment losses under expected credit loss model net of reversal for 2020H1 was approximately RMB136.4 million, representing an increase of approximately RMB111.5 million as compared with the impairment losses under expected credit loss model net of reversal for 2019H1 (approximately RMB24.9 million); and

(3) the Pandemic has adversely affected the global economic growth forecast, and the Group updated the forecast data to reflect the relevant impact when conducting asset valuation. Based on the preliminary assessment, the Group's management estimated that a provision for the goodwill arising from the acquisition of a subsidiary in 2018 of approximately RMB94.3 million (2019H1: Nil) should be made in 2020H1.

The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts for 2020H1 and other currently available information and may be subject to adjustment or change. Shareholders and potential investors of the Company are advised to read the interim results of the Group which will be disclosed in the interim results announcement to be published by the Company in late August 2020.

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

On behalf of the Board
Trigiant Group Limited
Qian Lirong
Chairman

6 August 2020

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

Executive directors:	Mr. Qian Lirong *(Chairman and Group chief executive officer)* *Mr. Qian Chenhui*
Non-executive director:	Mr. Xia Bin
Independent non-executive directors:	Professor Jin Xiaofeng Mr. Chan Fan Shing Mr. Chen Gang
Alternate director to Mr. Qian Lirong:	Ms. Qian Liqian

* *For identification only*