HPC HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1742)

PROFIT WARNING

This announcement is made by HPC Holdings Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") pursuant to Rule 13.09(2)(a) 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 Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform potential investors and shareholders of the Company that, due to the mass impacts of the unpresidential global pandemic of the COVID-19 (the "**Pandemic**"), based on preliminary and assessment of information currently available to the Group, the Group expects to record a significant decrease in profit attributable to owners of the Company for the year ended 31 October 2020 as compared to the audited results for the year ended 31 October 2019 by approximately 131%, the current year net loss is expected to be approximately S$4.6 million.

The expected significant decrease in profit was mainly due to, among other things, the following reasons:

1. The direct impact of the Pandemic on the stoppage of work in Singapore construction sector for around 5 months, from April 2020 to August 2020;

2. The indirect impact of the Pandemic on the loss of productivity, rising material, logistics and labor costs, these factors indirectly affect the on-going projects budget cost, hence reduce profitable projects' profit margin;

3. A S$ 2.1 million provision for foreseeable loss due to the indirect impact of the Pandemic.

Notwithstanding the above, the Board is of the view that the financial position of the Group remains sound.

Potential investors and shareholders of the Company are advised to note that the information contained in this announcement is only based on the preliminary assessment of the Board with reference to the information currently available to the Group and the unaudited consolidated management accounts of the Group, which are still subject to review by the audit committee of the Company and audit by the auditor of the Company; thus may be subject to further adjustment. The final results of the Group for the year ended 31 October 2020 is expected to be published by end of January 2021.

Potential investors and shareholders of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
HPC Holdings Limited
Wang Yingde
Chairman & Chief Executive Officer

Singapore, 19 January 2021

As at the date of this announcement, the Board comprises Mr. Wang Yingde and Mr. Shi Jianhua as executive directors; and Mr. Zhu Dong, Mr. Leung Wai Yip and Ms. Ng King Wai Diana as independent non-executive directors.