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)

PROFIT ALERT

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).

Based on the information currently available to the Company, the board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform shareholders of the Company (the "**Shareholders**") and potential investors that the Group is expected to record a net profit of approximately RMB15.0 million to RMB20.0 million for the six months ended 31 December 2020, as compared to the net loss of RMB35.9 million for the for the six months ended 31 December 2019. Such change was mainly attributable to: i) the Group is expected that significant decrease in impairment loss on financial assets for the six months ended 31 December 2020, as compared to the impairment loss on financial assets of approximately RMB48.7 million for the for the six months ended 31 December 2019; and ii) a decrease in expenditures of approximately RMB6.5 million in relation to the preparation work of the waste recycling and treatment projects for the six months ended 31 December 2020 as compared with the respective period in 2019.

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 2020 as well as information currently 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 2020 which is expected to be published on 26 February 2021.

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, 18 February 2021

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.