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COOLPAD GROUP LIMITED

酷派集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2369)

VOLUNTARY ANNOUNCEMENT

This announcement is made by Coolpad Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the Group’s unaudited consolidated management accounts, the Group recorded an operating loss of approximately HK\$460 million as at 31 March 2017. The Company expects that the operating loss for the first half of 2017 will increase to ranging from HK\$600 million to HK\$800 million, representing a significant decline in operation results as compared with the operating loss for the same period of last year of HK\$162.8 million (being the amount of losses attributable to owners of the Company as at 30 June 2016 of HK\$2,053.1 million, net of an extraordinary loss of HK\$1,890.3 million resulting from the disposal of certain interests in a joint venture of the Group). The estimated decline in operation results is mainly due to the fierce competition in the market and the fact that the Company hasn’t yet launched its new and competitive products in the pipeline of this year, which led to a decline in its sales. It is expected that sales for the first half of 2017 will decline by over 50% as compared to the same period of last year. Furthermore, the Group continues to invest in research and development and marketing activities, which results in no improvement in the costs and expenditures of the Group in the first half of 2017.

As the first half of 2017 has not yet ended, the Company’s interim results for the first half of 2017 have not been finalised. The information contained in this announcement is only a preliminary estimate prepared by the management of the Company based on information currently available to it and is not based on any figures or information audited or reviewed by the Company’s auditors. The actual interim results for the first half of 2017 may differ from what is disclosed in this announcement. For the specific and accurate financial information, please refer to the 2017 interim results announcement for the six months ending 30 June 2017 to be issued by the Company.

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

By order of the Board
Coolpad Group Limited
Jia Yueting
Chairman

Hong Kong, 21 April 2017

As at the date of this announcement, the executive Directors are Mr. Jia Yueting, Mr. Jiang Chao, Mr. Liu Hong, Mr. Liu Jiangfeng, Mr. Abulikemu Abulimiti and Mr. Zhang Wei, and the independent non-executive Directors are Dr. Huang Dazhan, Mr. Xie Weixin, and Mr. Chan King Chung.