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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)

PROFIT WARNING

This announcement is made by the board of directors (the “**Board**”) of Coolpad Group Limited (the “**Company**”, together with its subsidiaries, 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 “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

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 loss attributable to the owners of the Company for the six months ended 30 June 2022 (the “**Interim Period**”) is expected to amount to approximately HK\$305 million, as compared to the loss attributable to the owners of the Company of approximately HK\$238 million for the six months ended 30 June 2021 (the “**Preceding Period**”).

Based on an analysis of the information currently available to the Group, the increase in the expected loss in the Interim Period as compared to the Preceding Period is primarily attributable to:

- (a) The decrease in the Group’s revenue by approximately HK\$146 million to approximately HK\$174 million and the increase in the Group’s gross loss by approximately HK\$49 million to approximately HK\$63 million for the Interim Period as compared with the Preceding Period. In light of the COVID-19 pandemic in the domestic market, fierce competition in the PRC’s mobile phone market and the main products sold in the first half of the 2022 were the models launched in 2021, the Group implemented a deeper promotional policy.

- (b) According to the interim report of the Group for the Preceding Period, the item of other income and gains in the interim condensed consolidated statement of profit or loss and other comprehensive income included a one-off gain on disposal of assets classified as held for sale of approximately HK\$64 million. During the Interim Period, there were no assets classified as held for sale.

The Company remains in the process of preparing, reviewing and finalising the results of the Group for the six months ended 30 June 2022. The information contained in this announcement is solely based on a preliminary assessment by the management of the Company relying on the unaudited management accounts for the six months ended 30 June 2022 available to the Board, which has not been audited or reviewed by the Company's independent auditor or the audit committee of the Board and may be subject to adjustments. Shareholders and/or potential investors of the Company should exercise caution when dealing in the securities of the Company. Shareholders and potential investors are advised to refer to the details in the results announcement of the Company for the six months ended 30 June 2022, which is expected to be published on or before 31 August 2022.

By order of the Board
Coolpad Group Limited
Chen Jiajun
Executive Director
Chief Executive Officer
Chairman

Hong Kong, 8 August 2022

As at the date of this announcement, the Board comprises (i) two executive directors, namely Mr. Chen Jiajun and Mr. Ma Fei; (ii) three non-executive directors, namely Mr. Liang Rui, Mr. Ng Wai Hung and Mr. Xu Yibo; and (iii) three independent non-executive directors, namely Mr. Guo Jinghui, Mr. Chiu Sin Nang Kenny and Mr. Ngai Tsz Hin Michael.