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河北建設集團股份有限公司

HEBEI CONSTRUCTION GROUP CORPORATION LIMITED

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1727)

PROFIT WARNING

This announcement is made by Hebei Construction Group Corporation Limited (the “**Company**”, and 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 and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) hereby informs the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary review of the Group’s unaudited consolidated management accounts for the six months ended 30 June 2020 and the information currently available, it is expected that the net profit of the Group for the six months ended 30 June 2020 will decrease by approximately 55% as compared to the corresponding period of last year.

This was due to the fact that under the continuous impact from the pandemic of COVID-19 since the beginning of 2020, market supply of material, labour services and other resources failed to resume in time, and certain projects under construction cannot resume operation and production as scheduled, which resulted in certain production failing to resume normal operation and prolonged cycle of project construction. In addition, most of the projects tendered have delayed the bid opening or cancelled the original plan for implementation, which resulted in decrease of new projects undertaken.

Notwithstanding the above, the Board would like to emphasize that there is no cancellation of major contracts of the Group as of the date of this announcement. While implementing regular epidemic prevention and control measures, the Group also made active response by extensively participating in project tendering and quotation, identifying potential new projects, striving to overcome different adverse factors, increasing its efforts in production organization, management and control, and actively organizing various resources required for production in order to ensure normal production. The Board expects that the Group’s performance will improve in the second half of 2020.

Details of the financial information for the six months ended 30 June 2020 will be subject to the disclosure of interim results announcement of the Company to be made before the end of August 2020. Such information may be different from the information set out above.

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

By order of the Board
Hebei Construction Group Corporation Limited
LI Baozhong
Chairman and Executive Director

Hebei, the People's Republic of China
31 July 2020

As of the date of this announcement, the executive directors are Mr. LI Baozhong, Mr. SHANG Jinfeng, Mr. LIU Yongjian and Mr. ZHAO Wensheng; the non-executive directors are Mr. LI Baoyuan and Mr. CAO Qingshe; and the independent non-executive directors are Ms. SHEN Lifeng, Ms. CHEN Xin and Mr. CHAN Ngai Sang Kenny.