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**中国科技产业集团有限公司**  
**CHINA TECHNOLOGY INDUSTRY GROUP LIMITED**  
*(incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 8111)

**(1) CONNECTED TRANSACTION IN RELATION TO  
LOAN CAPITALISATION; AND  
(2) PROPOSED ISSUE OF NEW SHARES UNDER  
SPECIFIC MANDATES**

**THE LOAN CAPITALISATION**

On 3 July 2020 (after trading hours), the Company entered into Mr. Tse Subscription Agreement and Mr. Huang Subscription Agreement with Mr. Tse and Mr. Huang, respectively, pursuant to which the Company has conditionally agreed to allot and issue, and each of Mr. Tse and Mr. Huang has conditionally agreed to subscribe for Mr. Tse Subscription Shares and Mr. Huang Subscription Shares respectively at the Subscription Price. The subscription amount payable by Mr. Tse under Mr. Tse Subscription Agreement shall be satisfied by capitalising Mr. Tse Indebted Amount, and the subscription amount payable by Mr. Huang under Mr. Huang Subscription Agreement shall be satisfied by capitalising Mr. Huang Indebted Amount. Upon Completion, the Company shall save the interest expenses of approximately HK\$988,284 for the following year immediately after the Completion, which will further improve the profitability of the Company.

Assuming that there will be no change in the issued share capital between the date of this announcement and Completion, the Subscription Shares represent (i) approximately 5.24% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 4.98% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

## **ISSUE OF NEW SHARES UNDER SPECIFIC MANDATES**

The Subscription Shares will be issued by the Company under the Specific Mandates. The Company will seek the grant of Mr. Tse Specific Mandate from the Shareholders at the EGM and the grant of Mr. Huang Specific Mandate from the Independent Shareholders at the EGM. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

## **GEM LISTING RULES IMPLICATIONS**

Mr. Tse is an executive Director and therefore, Mr. Tse is a connected person of the Company under Chapter 20 of the GEM Listing Rules. Accordingly, Mr. Tse Loan Capitalisation constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules, and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements.

As at the date of this announcement, Mr Huang is interested in 80,000,000 Shares, representing approximately 3.75% of the total issued share capital of the Company. Mr. Huang is also the son of Mr. Huang Bo, a substantial Shareholder of the Company. As at the date of this announcement, Mr. Huang Bo is interested in 434,129,674 Shares, representing approximately 20.37% of the total issued share capital of the Company. Accordingly, Mr. Huang is an associate of a connected person of the Company under Chapter 20 of the GEM Listing Rules. Therefore, Mr. Huang Loan Capitalisation constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules, and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements.

Given that Mr. Huang Bo and Mr. Huang have a material interest in Mr. Huang Loan Capitalisation, Mr. Huang Bo and Mr. Huang are therefore required to abstain from voting on the relevant resolution(s) to be proposed at the EGM to approve Mr. Huang Subscription Agreement and the transactions contemplated thereunder (including the allotment and issue of Mr. Huang Subscription Shares under Mr. Huang Specific Mandate). Mr. Tse, being the executive Director, had abstained from voting on the Board resolution(s) for approving Mr. Tse Subscription Agreement and the transactions contemplated thereunder.

The Independent Board Committee has been established to advise the Independent Shareholders (taking into account the recommendation of the Independent Financial Adviser) as to whether the terms of each of the Subscription Agreements and the transactions contemplated thereunder are (i) fair and reasonable, (ii) on normal commercial terms or better and in the ordinary and usual course of business of the Group and (iii) in the interests of the Company and its Shareholders as a whole and how to vote on each of the Subscription Agreements and the transactions contemplated thereunder. Giraffe Capital Limited has been appointed by the Company with the approval of the Independent Board Committee as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

## **GENERAL**

The EGM will be convened and held for the purpose of considering and, if thought fit, approving each of the Subscription Agreements and the transactions contemplated thereunder, including the grant of the Specific Mandates for the allotment and issue of the Subscription Shares.

Any Shareholder who is interested in the Loan Capitalisation shall abstain from voting on the resolution(s) to approve the relevant Subscription Agreements and the transactions contemplated thereunder at the EGM. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as at the date of this announcement, (i) no Shareholder is interested in Mr. Tse Loan Capitalisation and will be required to abstain from voting on the resolution(s) to approve Mr. Tse Subscription Agreement and the transactions contemplated thereunder at the EGM; and (ii) save for Mr. Huang and Mr. Huang Bo, no other Shareholder is interested in Mr. Huang Loan Capitalisation and will be required to abstain from voting on the resolution(s) to approve Mr. Huang Subscription Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among others, (i) further details of the Subscription Agreements and the transactions contemplated thereunder (ii) a letter from the Independent Board Committee containing its opinion and recommendations to the Independent Shareholders in respect of the Loan Capitalisation, and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Loan Capitalisation and a notice convening the EGM are expected to be despatched to the Shareholders on or before 3 August 2020.

**Completion of the Loan Capitalisation is subject to the fulfillment of the conditions under each of the Subscription Agreements. However, the Subscription Agreements are not inter-conditional and are independent of each other. Accordingly, the Loan Capitalisation may or may not proceed, and if it proceeds, may proceed in whole or in part. Shareholders and potential investors should therefore exercise caution when dealing in the Shares.**

## BACKGROUND OF THE LOAN CAPITALISATION

As disclosed in the 2020 Annual Report, Mr. Tse and Mr. Huang have provided the Loans to the Company as a support to the Company's business and daily operation, details of which are set out as follows:

<b>Date of loan/Lender</b>		<b>Maturity date</b>	<b>Nature of loan</b>	<b>Interest rate</b>	<b>Principal amount outstanding as at 30 June 2020</b> <i>HK\$</i>
17 June 2019	Mr. Tse	30 September 2020	Term loan	12%	1,090,000
28 August 2019	Mr. Huang	27 August 2020	Term loan	12%	1,000,000
29 October 2019	Mr. Huang	28 October 2020	Term loan	12%	2,130,000
13 December 2019	Mr. Huang	12 December 2020	Term loan	12%	1,900,000
31 January 2020	Mr. Huang	30 January 2021	Term loan	12%	2,000,000
24 April 2020	Mr. Huang	23 April 2021	Term loan	12%	<u>2,050,000</u>
					<u><u>10,170,000</u></u>

As at 30 June 2020, the Group is indebted to (i) Mr. Tse a total amount of approximately HK\$1,225,817 and (ii) Mr. Huang a total amount of approximately HK\$9,624,859.

## THE SUBSCRIPTION AGREEMENTS

Date: 3 July 2020 (after trading hours of the Stock Exchange)

Parties:

- (i) Mr. Tse Subscription Agreement: (a) the Company (as issuer); and (b) Mr. Tse (as subscriber)
- (ii) Mr. Huang Subscription Agreement: (a) the Company (as issuer); and (b) Mr. Huang (as subscriber)

Mr. Tse is an executive Director and therefore, Mr. Tse is a connected person of the Company under Chapter 20 of the GEM Listing Rules. Mr Huang is interested in 80,000,000 Shares, representing approximately 3.75% of the total issued share capital of the Company. Mr. Huang is also the son of Mr. Huang Bo, a substantial Shareholder of the Company. Mr. Huang Bo is interested in 434,129,674 Shares, representing approximately 20.37% of the total issued share capital of the Company. Accordingly, Mr. Huang is an associate of a connected person of the Company under Chapter 20 of the GEM Listing Rules.

Pursuant to Mr. Tse Subscription Agreement, the Company has conditionally agreed to allot and issue and Mr. Tse has conditionally agreed to subscribe for Mr. Tse Subscription Shares at the Subscription Price. The subscription amount payable by Mr. Tse under Mr. Tse Subscription Agreement shall be satisfied by capitalising Mr. Tse Indebted Amount.

Pursuant to Mr. Huang Subscription Agreement, the Company has conditionally agreed to allot and issue and Mr. Huang has conditionally agreed to subscribe for Mr. Huang Subscription Shares at the Subscription Price. The subscription amount payable by Mr. Huang under Mr. Huang Subscription Agreement shall be satisfied by capitalising Mr. Huang Indebted Amount.

### **Subscription Price**

The Subscription Price represents:

- (i) a premium of 58.73% over the closing price of HK\$0.063 per Share as quoted on the Stock Exchange on the date of this announcement; and
- (ii) a premium of 56.25% over the average closing price of HK\$0.064 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately preceding the date of this announcement (excluding the date of this announcement).

The Subscription Shares have an aggregate nominal value of HK\$11,158,283.8.

### **Subscription Shares**

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and Completion and assuming Completion takes place on the Long Stop Date (being the latest date that, the Completion may take place), a maximum number of 111,582,837 new Shares will be allotted and issued, the Subscription Shares represent:

- (i) approximately 5.24% of the existing issued share capital of the Company as the date of this announcement; and

- (ii) approximately 4.98% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

### **Ranking of the Subscription Shares**

The Subscription Shares when allotted and issued, shall rank pari passu in all respects with the Shares in issue on the date of their allotment and issue.

### **Conditions**

The completion of the Subscription Agreements is conditional upon:

- (i) in respect of Mr. Tse Subscription Agreement, the passing of the resolutions by the Shareholders of the Company at the EGM of the Company to approve Mr. Tse Subscription Agreement, Mr. Tse Specific Mandate and the transactions contemplated under Mr. Tse Subscription Agreement including the issue of Mr. Tse Subscription Shares;
- (ii) in respect of Mr. Huang Subscription Agreement, the passing of the resolutions by the Independent Shareholders of the Company at the EGM of the Company to approve Mr. Huang Subscription Agreement, Mr. Huang Specific Mandate and the transactions contemplated under Mr. Huang Subscription Agreement including the issue of Mr. Huang Subscription Shares; and
- (iii) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the relevant Subscription Shares, and such permission and listing not subsequently being revoked.

The Subscription Agreements are not inter-conditional.

### **Completion**

Completion of Mr. Tse Loan Capitalisation shall take place at Suite 704, 7/F., Ocean Centre, Harbour City, Kowloon on Mr. Tse Closing Date and completion of Mr. Huang Loan Capitalisation shall take place at Suite 704, 7/F., Ocean Centre, Harbour City, Kowloon on Mr. Huang Closing Date.

## **REASONS FOR THE LOAN CAPITALISATION**

The Group is principally engaged in (i) sales of solar power related products; (ii) new energy power system integration business; (iii) sales of self-service automatic teller machine systems and printing systems; and (iv) provision of hardware and software technical support services in the People's Republic of China.

As disclosed in the 2020 Annual Report, the Company recorded a total liability of approximately RMB132,451,000 as at 31 March 2020. As at 30 June 2020, the aggregate outstanding principal amounts of the Loans and accrued interest owed by the Company to Mr. Tse and Mr. Huang was approximately HK\$10,850,676. As interest rates of the Loans is 12% per annum, the financial costs derived from such debts represent a heavy interest burden to the Group. Upon Completion, the Company shall save interest expenses of approximately HK\$988,284 for the following year immediately after the Completion, which will further improve the profitability of the Company.

In addition, the Loans will mature between June 2020 and April 2021. The Company's bank balances and cash of approximately RMB4,076,000 as at 31 March 2020 may be difficult to meet the repayment obligations in respect of the Loans on or before the maturity date with the existing financial resources of the Company.

As such, the Directors consider the Loan Capitalisation will (i) ease the repayment pressure of the Loans on the Group, (ii) lower the gearing ratio of the Group, (iii) retain cashflow of the Group for its future business development and (iv) strengthen the financial position and capital structure of the Group.

Further, the Directors have also considered that the Subscription Price is at a premium of approximately 58.73% over the closing price of HK\$0.063 per Share as quoted on the Stock Exchange on the date of this announcement and a premium of 56.25% over the average closing price of HK\$0.064 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately preceding the date of this announcement (excluding the date of this announcement). Accordingly, the issuance of the Subscription Shares would not cause any dilution in value of the Shares held by the Shareholders.

In view of the above, the Directors consider that the terms of the Subscription Agreements are fair and reasonable and the entering into of the Subscription Agreements is in the interests of the Company and the Shareholders as a whole.

## **SPECIFIC MANDATES**

The Subscription Shares will be allotted and issued under the Specific Mandates proposed to be sought from the Shareholders or Independent Shareholders (as the case may be) at the EGM.

## **APPLICATION FOR LISTING**

An application will be made by the Company to the GEM Listing Committee of the Stock Exchange for listing of, and permission to deal in, the Subscription Shares.

## EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not carried out any equity fund raising activity in the 12-month period immediately preceding the date of this announcement.

## EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Below sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after completion of the Loan Capitalisation, assuming that there is no other change in the issued share capital of the Company between the date of this announcement and the Completion:

	As at the date of this announcement		Immediately after Completion	
	<i>No. of shares</i>	<i>%</i>	<i>No. of shares</i>	<i>%</i>
<b>Directors</b>				
Mr. Tse	–	–	12,587,857	0.56
Sub-total	–	–	12,587,857	0.56
<b>Substantial Shareholders</b>				
Huang Bo	434,129,674	20.37	434,129,674	19.36
Li Xiao Yan	295,472,031	13.87	295,472,031	13.18
Hou Hsiao Bing <sup>1</sup>	131,140,000	6.15	131,140,000	5.85
Mr. Huang	80,000,000	3.75	178,994,980	7.98
Sub-total	860,741,705	40.39	1,039,736,685	46.37
Public Shareholders	1,189,963,176	55.85	1,189,963,176	53.07
Total	<u>2,130,704,881</u>	<u>100.00</u>	<u>2,242,287,718</u>	<u>100.00</u>

Notes:

<sup>1</sup> Hou Hsiao Bing was a Director until his retirement on 26 August 2019.



## **INFORMATION ON THE COMPANY AND SUBSCRIBERS**

The principal activity of the Company is investment holding. The Group is principally engaged in (i) sales of solar power related products; (ii) new energy power system integration business; (iii) sales of self-service automatic teller machine systems and printing systems; and (iv) provision of hardware and software technical support services in the People's Republic of China.

Mr. Tse is an executive Director, chief financial officer of the Company and the chairman of the corporate governance committee of the Board.

Mr Huang is interested in 80,000,000 Shares, representing approximately 3.75% of the total issued share capital of the Company. Mr. Huang is also the son of Mr. Huang Bo, a substantial Shareholder of the Company. As at the date of this announcement, Mr. Huang is interested in 434,129,674 Shares, representing approximately 20.37% of the total issued share capital of the Company.

## **GEM LISTING RULES IMPLICATIONS**

Mr. Tse is an executive Director and therefore, Mr. Tse is a connected person of the Company under Chapter 20 of the GEM Listing Rules. Accordingly, Mr. Tse Loan Capitalisation constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules, and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements.

As at the date of this announcement, Mr Huang is interested in 80,000,000 Shares, representing approximately 3.75% of the total issued share capital of the Company. Mr. Huang is also the son of Mr. Huang Bo, a substantial Shareholder of the Company. As at the date of this announcement, Mr. Huang Bo is interested in 434,129,674 Shares, representing approximately 20.37% of the total issued share capital of the Company. Accordingly, Mr. Huang is an associate of a connected person of the Company under Chapter 20 of the GEM Listing Rules. Therefore, Mr. Huang Loan Capitalisation constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules, and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements.

Given that Mr. Huang Bo and Mr. Huang have a material interest in Mr. Huang Loan Capitalisation, Mr. Huang Bo and Mr. Huang are therefore required to abstain from voting on the relevant resolution(s) to be proposed at the EGM to approve Mr. Huang Subscription Agreement and the transactions contemplated thereunder (including the allotment and issue of Mr. Huang Subscription Shares under Mr. Huang Specific Mandate). Mr. Tse, being the executive Director, had abstained from voting on the Board resolution(s) for approving Mr. Tse Subscription Agreement and the transactions contemplated thereunder.

The Independent Board Committee has been established to advise the Independent Shareholders (taking into account the recommendation of the Independent Financial Adviser) as to whether the terms of each of the Subscription Agreements and the transactions contemplated thereunder are (i) fair and reasonable, (ii) on normal commercial terms or better and in the ordinary and usual course of business of the Group and (iii) in the interests of the Company and its Shareholders as a whole and how to vote on each of the Subscription Agreements and the transactions contemplated thereunder. Giraffe Capital Limited has been appointed by the Company with the approval of the Independent Board Committee as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

## **GENERAL**

The EGM will be convened and held for the purpose of considering and, if thought fit, approving each of the Subscription Agreements and the transactions contemplated thereunder, including the grant of the Specific Mandates for the allotment and issue of the Subscription Shares.

Any Shareholder who is interested in the Loan Capitalisation shall abstain from voting on the resolution(s) to approve the relevant Subscription Agreements and the transactions contemplated thereunder at the EGM. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as at the date of this announcement, (i) no Shareholder is interested in Mr. Tse Loan Capitalisation and will be required to abstain from voting on the resolution(s) to approve Mr. Tse Subscription Agreement and the transactions contemplated thereunder at the EGM; and (ii) save for Mr. Huang and Mr. Huang Bo, no other Shareholder is interested in Mr. Huang Loan Capitalisation and will be required to abstain from voting on the resolution(s) to approve Mr. Huang Subscription Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among others, (i) further details of the Subscription Agreements and the transactions contemplated thereunder (ii) a letter from the Independent Board Committee containing its opinion and recommendations to the Independent Shareholders in respect of the Loan Capitalisation, and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Loan Capitalisation and a notice convening the EGM are expected to be despatched to the Shareholders on or before 3 August 2020.

**Completion of the Loan Capitalisation is subject to the fulfillment of the conditions under each of the Subscription Agreements. However, the Subscription Agreements are not inter-conditional and are independent of each other. Accordingly, the Loan Capitalisation may or may not proceed, and if it proceeds, may proceed in whole or in part. Shareholders and potential investors should therefore exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings.

“2020 Annual Report”	: the annual report of the Company for the year ended 31 March 2020
“Board”	: the Board of Directors
“Business Day”	: a day (other than a Saturday, Sunday or a public holiday) on which banks are generally open for business in Hong Kong
“Company”	: China Technology Industry Group Limited (stock code: 8111)
“Completion”	: the completion of the Loan Capitalisation in accordance with the terms and conditions of the Subscription Agreements
“connected person(s)”	: has the same meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	: director(s) of the Company
“EGM”	: the extraordinary general meeting of the Company to be held to consider and approve the Subscription Agreements, the Specific Mandates and the transactions contemplated under the Subscription Agreements in accordance with the GEM Listing Rules
“GEM”	: the GEM of the Stock Exchange
“GEM Listing Committee”	: has the meaning ascribed to it under the GEM Listing Rules
“GEM Listing Rules”	: the Rules Governing the Listing of Securities on GEM
“Group”	: the Company and its subsidiaries
“Hong Kong”	: Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Board Committee”	: an independent committee of the Board, comprising all the independent non-executive Directors, formed for the purpose of advising the Shareholders in respect of the Loan Capitalisation and the transactions contemplated thereunder
“Independent Financial Adviser”	: the independent financial adviser engaged by the Company to advise the Independent Board Committee, being Giraffe Capital Limited
“Independent Shareholder(s)”	: Shareholders other than Mr. Huang and his associates (including Mr. Huang Bo)
“Loans”	: Mr. Tse Loan and Mr. Huang Loan
“Loan Capitalisation”	: Mr. Tse Loan Capitalisation and Mr. Huang Loan Capitalisation
“Long Stop Date”	: means 30 September 2020, or such later date as may be agreed between parties to the respective Subscription Agreements
“Mr. Huang”	: Mr. Huang Yuan Ming, the son of Mr. Huang Bo (a substantial shareholder of the Company)
“Mr. Huang Closing Date”	: the third Business Day after the date upon which all conditions pursuant to the terms of Mr. Huang Subscription Agreement has been satisfied (or such other date as the Company and Mr. Huang agree in writing)
“Mr. Huang Indebted Amount”	: amount owed by the Company to Mr. Huang of approximately HK\$9,624,859, comprising an outstanding principal amount of Mr. Huang Loan of HK\$9,080,000 and accrued interest up to 30 June 2020 of approximately HK\$544,859
“Mr. Huang Loan Capitalisation”	: the allotment and issuance by the Company, and the subscription by Mr. Huang, of Mr. Huang Subscription Shares on and subject to the terms and conditions set out in Mr. Huang Subscription Agreement to capitalise Mr. Huang Indebted Amount
“Mr. Huang Loan”	: the unsecured loan at a fixed interest rate of 12% per annum with the aggregated principal amount of HK\$9,080,000 granted by Mr. Huang to the Group in accordance with the terms and conditions of the loan agreements executed between certain members of the Group and Mr. Huang on 28 August 2019, 29 October 2019, 13 December 2019, 31 January 2020 and 24 April 2020

- “Mr. Huang Specific Mandate” : the special mandate to be granted by the Independent Shareholders to the Board at the EGM for the allotment and issue of Mr. Huang Subscription Shares
- “Mr. Huang Subscription Agreement” : the subscription agreement entered into on 3 July 2020 by the Company and Mr. Huang in relation to Mr. Huang Loan Capitalisation
- “Mr. Huang Subscription Shares” : 98,994,980 new Shares available for the Mr Huang Loan Capitalisation at the Subscription Price, being the maximum number of Shares to be allotted and issued to Mr. Huang
- “Mr. Tse” : Mr. Tse Man Kit Keith, an executive Director
- “Mr. Tse Closing Date” : the third Business Day after the date upon which all conditions pursuant to the terms of Mr. Tse Subscription Agreement has been satisfied (or such other date as the Company and Mr. Tse agree in writing)
- “Mr. Tse Indebted Amount” : amount owed by the Company to Mr. Tse of approximately HK\$1,225,817, comprising an outstanding principal amount of Mr. Tse Loan of HK\$1,090,000 and accrued interest up to 30 June 2020 of approximately HK\$135,817
- “Mr. Tse Loan” : the unsecured loan at a fixed interest rate of 12% per annum in the principal amount of HK\$1,090,000 granted by Mr. Tse to the Company in accordance with the terms and conditions of the loan agreement executed between Company and Mr. Tse on 17 June 2019
- “Mr. Tse Loan Capitalisation” : the allotment and issuance by the Company, and the subscription by Mr. Tse, of Mr. Tse Subscription Shares on and subject to the terms and conditions set out in Mr. Tse Subscription Agreement to capitalise Mr. Tse Indebted Amount
- “Mr. Tse Specific Mandate” : the special mandate to be granted by the Shareholders to the Board at the EGM for the allotment and issue of Mr. Tse Subscription Shares
- “Mr. Tse Subscription Agreement” : the subscription agreement entered into on 3 July 2020 by the Company and Mr. Tse in relation to Mr. Tse Loan Capitalisation

“Mr. Tse Subscription Shares”	: 12,587,857 new Shares available for Mr. Tse Loan Capitalisation at the Subscription Price, being the maximum number of Shares to be allotted and issued to Mr. Tse
“RMB”	: Chinese Renminbi, the lawful currency of the People’s Republic of China
“Share(s)”	: ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	: the holder(s) of the Share(s)
“Specific Mandates”	: Mr. Huang Specific Mandate and Mr. Tse Specific Mandate
“Stock Exchange”	: The Stock Exchange of Hong Kong Limited
“Subscription Agreements”	: Mr. Tse Subscription Agreement and Mr. Huang Subscription Agreement
“Subscription Price”	: the price payable of HK\$0.10 per Subscription Share for the Loan Capitalisation
“Subscription Share(s)”	: Mr. Huang Subscription Shares and Mr. Tse Subscription Shares
“HK\$”	: Hong Kong dollars, the lawful currency of Hong Kong
“%”	: per cent

By Order of the Board  
**China Technology Industry Group Limited**  
**Chiu Tung Ping**  
*Chairman*

Hong Kong, 3 July 2020

