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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)

POSITIVE PROFIT ALERT

This announcement is made by China Technology Industry Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of the directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available, the Group expects to record a revenue of approximately RMB139.5 million for the six months ended 30 September 2020 (“**2020-1H**”), representing an increase in revenue of approximately 164.9 per cent. as compared to the revenue of approximately RMB52.7 million for the six months ended 30 September 2019 (“**2019-1H**”). The gross profit margin is also expected to increase from approximately 13.9 per cent. for 2019-1H to approximately 20.0 per cent. for 2020-1H. The Group expects to record a profit attributable to the owners of the Company for 2020-1H of approximately RMB57.6 million, as compared to a loss attributable to the owners of the Company for 2019-1H of approximately RMB9.6 million.

The increase in revenue was mainly attributable to revenue generated from the sales of renewable energy products of approximately RMB139.5 million during 2020-1H where the revenue generated therefrom during 2019-1H was approximately RMB25.8 million, which was partly offset by the decrease in revenue generated during 2020-1H from the rendering of new energy power system integration services by approximately RMB26.9 million when compared to 2019-1H.

The increase in the gross profit margin was due to:

- (1) the increase in revenue generated from the sales of renewable energy products as stated above; and
- (2) that customers were willing to pay a higher price for renewable energy products for completion of new energy projects which had been postponed as a result of the outbreak of coronavirus disease (COVID-19) during the first quarter of 2020.

The expected profit attributable to the owners of the Company for 2020-1H in the amount of approximately RMB57.6 million was mainly attributable to:

- (1) the increase in revenue and gross profit of the Group during 2020-1H; and
- (2) an impairment loss reversed in respect of accounts receivable in the amount of approximately RMB40,120,000 which had been written off in previous years.

The Company is still in the process of gathering information to finalise the unaudited consolidated results of the Group for 2020-1H. The information contained in this announcement is thus only based on the preliminary assessment by the management of the Company and is not based on any figure or information which has been audited or reviewed by the Company's auditors. Shareholders and potential investors of the Company are advised to peruse with care the interim results announcement of the Group for 2020-1H, which is expected to be released in due course.

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

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

Hong Kong, 27 October 2020

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Chiu Tung Ping (*Chairman*)
Yuen Hing Lan
Hu Xin
Tse Man Kit Keith

Independent non-executive Directors:

Ma Xingqin
Meng Xianglin
Dong Guangwu

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the Company’s website at www.chinatechsolar.com.