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If you have sold or transferred all your securities in the Company, you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, stock broker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

This circular appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities in the Company.



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)

(i) PROPOSED SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE; (ii) PROPOSED RE-ELECTION OF DIRECTORS; AND (iii) NOTICE OF EXTRAORDINARY GENERAL MEETING

Capitalised terms used in this cover shall have the same meanings as defined in this circular.

A notice convening the EGM to be held at Turquoise Room, 3rd Floor, Gateway Hotel, Harbour City, 13 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Thursday, 15 July 2021 at 11:45 a.m. (Hong Kong time) is set out on pages EGM-1 to EGM-3 of this circular. Whether or not you are able to attend and/or vote at the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by 11:45 a.m. (Hong Kong time) on Tuesday, 13 July 2021 or not later than 48 hours before the time appointed for any adjourned meeting of the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and, in such event, the form of proxy previously submitted shall be deemed to be revoked.

This circular will remain on the website of the Company at www.chinatechindgroup.com and the website of GEM of the Stock Exchange at www.hkgem.com on the "Latest Company Announcements" page for at least seven days from the date of its posting.

PRECAUTIONARY MEASURES FOR THE EGM

Please see page ii – iii of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the EGM, including:

- compulsory body temperature checks
- wearing of a surgical face mask for each attendee
- no distribution of corporate gift or refreshment

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company strongly recommends Shareholders that they may appoint the chairman of the EGM as their proxy to vote on the relevant resolution(s) at the EGM as an alternative to attending the EGM in person.

17 June 2021

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

PRECAUTIONARY MEASURES FOR THE EGM

VOTING BY PROXY IN ADVANCE OF THE EGM

The Company does not in any way wish to diminish the opportunity available to the Shareholders to exercise their rights and to vote, but is conscious of the pressing need to protect the Shareholders from possible exposure to the novel coronavirus pneumonia (COVID-19) pandemic. For the health and safety of the Shareholders, the Company would like to remind Shareholders that they should carefully consider the risks of attending the EGM, taking into account their own personal circumstances and encourage Shareholders to exercise their right to vote at the EGM by appointing the chairman of the EGM as their proxy instead of attending the EGM in person. Physical attendance is not necessary for the purpose of exercising Shareholders' rights. Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the EGM or any adjournment thereof should they subsequently so wish.

PREVENTIVE MEASURES AT THE EGM

In view of the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Chapter 599G of the Laws of Hong Kong) and the recent development of the epidemic caused by COVID-19, the Company will implement the following preventive measures at the EGM to safeguard the health and safety of the attending Shareholders, staff and other stakeholders:

- (i) A compulsory body temperature check will be conducted on every Shareholder, proxy and other attendees at the entrance of the EGM venue. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the EGM venue.
- (ii) Every attendee will be required to wear a surgical face mask within the EGM venue. Please note that no masks will be provided at the EGM venue and attendees should bring and wear their own masks.
- (iii) Seats at the EGM venue will be arranged in such a manner so as to allow appropriate social distancing. As a result, there will be limited capacity for Shareholders. The Company may limit the number of attendees at the EGM as may be necessary to avoid overcrowding.
- (iv) Any person who (a) has travelled outside Hong Kong within 14 days immediately before the EGM ("**recent travel history**"), (b) is subject to quarantine or self-quarantine in relation to COVID-19, or (c) has close contact with any person under quarantine or with recent travel history shall not attend the EGM.
- (v) Any attendee who does not comply with the abovementioned measures will not be admitted to the EGM venue.
- (vi) No refreshments, corporate gifts or souvenirs will be served or distributed at the EGM.

PRECAUTIONARY MEASURES FOR THE EGM

The Company will closely monitor the development of the COVID-19 pandemic and any regulations or measures introduced or to be introduced by the Hong Kong government in relation to COVID-19 pandemic. The Company will ensure that the EGM will be conducted in compliance with the regulations or measures of the Hong Kong government and Shareholders will not be deprived of their right of voting on the resolutions to be proposed at the EGM. Subject to the development of the COVID-19 situation, the Company may implement further precautionary measures in respect of the EGM, and may issue further announcement(s) on such measures as and when appropriate.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of Directors
“Business Day”	a day (other than Saturday, Sunday or public holiday) on which licenced banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 5,000 Existing Shares to 10,000 Consolidated Shares
“close associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Company”	China Technology Industry Group Limited (stock code: 8111)
“controlling shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Consolidated Share(s)”	ordinary share(s) of HK\$0.50 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider, and if thought fit, to approve the Share Consolidation and re-election of Directors
“Existing Share(s)”	issued and unissued ordinary share(s) of par value of HK\$0.10 each in the share capital of the Company before the Share Consolidation becomes effective

DEFINITIONS

“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the law currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	15 June 2021, being the latest practicable date prior to the printing of this circular for purpose of ascertaining certain information contained herein
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares in the share capital of the Company, including the Existing Shares and the Consolidated Shares
“Share Consolidation”	the proposed consolidation of every five (5) issued and unissued Existing Shares of HK\$0.10 each in the share capital of the Company into one (1) Consolidated Share of HK\$0.50
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“%”	per cent

EXPECTED TIMETABLE

The expected timetable for implementation of the Share Consolidation and the Change in Board Lot Size is set out below:

Event(s)	Time and date
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM . . .	4:30 p.m. on Friday, 9 July 2021
Closure of register of members for the entitlement to attend and vote at the EGM	12 July 2021 to 15 July 2021 (both days inclusive)
Latest date and time for lodging forms of proxy for the EGM	11:45 a.m. on 13 July 2021
Date and time of the EGM	11:45 a.m. on 15 July 2021
Announcement of voting results of the EGM	15 July 2021
 <i>The followings events are conditional on the fulfilment of the conditions for the implementation of the Share Consolidation as set out in the paragraph headed “Conditions of the Share Consolidation” of this circular</i> 	
Effective date of the Share Consolidation	19 July 2021
First day for free exchange of existing share certificates for new share certificates for the Consolidated Shares commences	19 July 2021
Dealings in the Consolidated Shares commences	9:00 a.m. on 19 July 2021
Original counter for trading in the Existing Shares in board lots of 5,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on 19 July 2021
Temporary counter for trading in the Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on 19 July 2021
Original counter for trading in the Consolidated Shares in board lots of 10,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on 2 August 2021

EXPECTED TIMETABLE

Event(s)	Time and date
Parallel trading in the Consolidated Shares (in form of new share certificates and existing share certificates) commences . . .	9:00 a.m. on 2 August 2021
Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares	9:00 a.m. on 2 August 2021
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares	4:00 p.m. on 20 August 2021
Temporary counter for trading in the Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on 20 August 2021
Parallel trading in Consolidated Shares (in form of new share certificates and existing share certificates) ends	4:10 p.m. on 20 August 2021
Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares	24 August 2021

All times and dates in this circular refer to Hong Kong local times and dates. The expected timetable set out above is indicative only and may be subject to change. Further announcement(s) will be made as and when appropriate.

LETTER FROM THE BOARD



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)

Executive Directors:

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

Independent Non-executive Directors:

Ma Xingqin
Shan Jinlan
Wang Zhuchen

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Principal place of business
in Hong Kong:*

Suite 704
7th Floor
Ocean Centre
Harbour City
Kowloon
Hong Kong

17 June 2021

To the Shareholders

Dear Sir or Madam,

**(i) PROPOSED SHARE CONSOLIDATION AND
CHANGE IN BOARD LOT SIZE;
(ii) PROPOSED RE-ELECTION OF DIRECTORS; AND
(iii) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information relating to (i) the proposed Share Consolidation and Change in Board Lot Size; (ii) the proposed re-election of Directors; and (iii) the notice of the EGM.

LETTER FROM THE BOARD

(I) PROPOSED SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

PROPOSED SHARE CONSOLIDATION

Reference is made to the announcements of the Company dated 3 June 2021 and 4 June 2021 in relation to the Share Consolidation and the Change in Board Lot Size.

The Board proposes to implement the Share Consolidation on the basis that every five (5) issued and unissued Existing Shares be consolidated into one (1) Consolidated Share.

Effects of the Share Consolidation

As at the date of this circular, 2,240,883,423 Existing Shares have been allotted and issued. Upon the Share Consolidation becoming effective and assuming that no new Existing Shares are issued or repurchased from the date hereof until the effective date of the Share Consolidation, 448,176,684* Consolidated Shares will be in issue. Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other.

* *fractional number of shares is disregarded for illustration purposes.*

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the shareholdings, proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares to which Shareholders may be entitled.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the EGM;
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective; and
- (iii) the compliance with the relevant procedures and requirements under the laws in the Cayman Islands (where applicable) and the GEM Listing Rules to effect the Share Consolidation.

The Share Consolidation is expected to become effective on 19 July 2021, being the second Business Day after the EGM, subject to the fulfilment of the above conditions.

LETTER FROM THE BOARD

As at the Latest Practicable Date, none of the conditions above had been fulfilled.

Listing application

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becoming effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Corporate Action Plan of the Company

Reference is made to the announcement of the Company dated 31 May 2021 (the “**Announcement**”) in relation to the proposed issue of the Convertible Bonds (as defined in the Announcement) in the principal amount of HK\$32,000,000 under the General Mandate (as defined in the Announcement). As disclosed in the Announcement, the Company will issue the Convertible Bonds in the principal amount of HK\$32,000,000 at an initial conversion price of HK\$0.5 per Conversion Share (as defined in the Announcement). The initial conversion price, being HK\$0.5 per Conversion Share, is subject to the customary adjustments in certain events including share consolidation, share sub-division, capitalisation issue, capital distribution, rights issue and issue of other securities, and the conversion period will commence from the issue date of the convertible bonds to 1 October 2022. As at the date of this circular, based on the initial conversion price of HK\$0.5 per Conversion Share, a total of 64,000,000 Conversion Shares will be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds in full. Save for the aforementioned, as at the date of this circular, the Company does not have any intention or plan (initial or concrete) or otherwise foresee to undertake in the next 12 months any (a) equity fundraising or (b) other corporate action or arrangement that may affect the trading in

LETTER FROM THE BOARD

its Shares (e.g. share consolidation or subdivision or change in board lot size). However, the Directors will not rule out that they may consider equity fundraising activities when it is reasonably necessary for the Group to raise fund to meet its operational needs or for future development. The Directors will consider carefully the likely impact on the Shareholders before they will proceed on any such equity fundraising exercises.

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company.

Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares of the Company regardless of the number of share certificates held by such holder.

Shareholders concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling Existing Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this circular, the Existing Shares are traded on the Stock Exchange in the board lot size of 5,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 5,000 Existing Shares to 10,000 Consolidated Shares conditional upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.083 per Existing Share (equivalent to the theoretical closing price of HK\$0.415 per Consolidated Share) as at the date of the Latest Practicable Date, (i) the value of each existing board lot of Existing Shares is HK\$415; (ii) the value of each board lot of 1,000 Consolidated Shares would be HK\$415 assuming the Share Consolidation becoming effective; and (iii) the estimated value per board lot of 10,000 Consolidated Shares would be HK\$4,150 assuming that the Change in Board Lot Size had also been effective.

LETTER FROM THE BOARD

Odd lots arrangement and matching services

To facilitate the trading of odd lots of the Consolidated Shares, the Company has appointed Monmonkey Group Securities Limited as its designated broker to provide matching services, on a best effort basis regarding the sale and purchase of odd lots of Consolidated Shares from 9:00 a.m. on Monday, 2 August 2021 to 4:00 p.m. on Friday, 20 August 2021 (both days inclusive). Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares should contact Mr. Richard Lam/Mr. Joe Lee of Monmonkey Group Securities Limited at Unit 2418, 24/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road, Sheung Wan, Hong Kong (telephone number: (852) 2110-6419 / (852) 2110-6435) during the office hours of such period.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots trading arrangement are recommended to consult their own professional advisers.

Exchange of share certificates

Subject to the Share Consolidation becoming effective, the Shareholders may during the period from 19 July 2021 to 24 August 2021 (both days inclusive) submit existing share certificates in the colour of blue for the Existing Shares to the Company's branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for exchange for new share certificates in the colour of green for the Consolidated Shares at the expenses of the Company.

Thereafter, share certificates of the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever is higher.

After 4:10 p.m. on 24 August 2021, trading will only be in the Consolidated Shares which share certificates will be issued in green colour and existing share certificates in blue colour for the Existing Shares will only remain effective as documents of title and may be exchanged for share certificates for Consolidated Shares on the basis of five (5) Existing Shares for one (1) Consolidated Share at any time but will not be accepted for delivery, trading, registration and settlement purposes.

LETTER FROM THE BOARD

ADJUSTMENTS IN RELATION TO OTHER SECURITIES OF THE COMPANY

As at the Latest Practicable Date, the aggregate outstanding principal amount of the 2011 Convertible Bonds (as defined in the Company's announcement dated 31 May 2021 in relation to updates of outstanding convertible bonds) is HK\$44,000,000, which may be converted into 88,000,000 ordinary shares of HK\$0.1 each in the share capital of the Company at a conversion price of HK\$0.5 per share, has matured on 1 June 2021. As a result, the conversion right of the 2011 Convertible Bonds has ended on 1 June 2021.

Further, as disclosed in the section headed "Corporate Action Plan of the Company" above, the Company will issue the Convertible Bonds in the principal amount of HK\$32,000,000, which can be converted into 64,000,000 Existing Shares upon exercise of the conversion rights attaching to the Convertible Bonds in full. If the Share Consolidation becomes effective, pursuant to the terms of the Convertible Bonds, the Conversion Price (as defined in the Announcement) in force immediately prior thereto shall be adjusted by multiplying it by the revised nominal amount and dividing the result by the former nominal amount with effect from the close of business in Hong Kong on the day immediately preceding the date on which the Share Consolidation becomes effective, as a result of which 12,800,000 Consolidated Shares will be issued. The Company will make further announcement(s) about the adjustment(s) pursuant to the GEM Listing Rules.

Save as disclosed above, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Existing Shares or Consolidated Shares, as at the date the Latest Practicable Date.

REASON FOR THE SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. The "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 30 August 2019 has further stated that (i) market price of the Shares at a level less than HK\$0.1 will be considered as approaching the extremities of HK\$0.01 as referred to Rule 17.76 of the GEM Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

LETTER FROM THE BOARD

The Shares are currently traded on the Stock Exchange in the board lot size of 5,000 Existing Shares. It is proposed that the board lot size will be increased to 10,000 Consolidated Shares when the Shares Consolidation becomes effective. Based on the closing price of HK\$0.083 per Existing Share (equivalent to the theoretical closing price of HK\$0.415 per Consolidation Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the theoretical market value of each board lot of the Consolidated Shares, assuming the Share Consolidation had become effective, would be HK\$4,150.

In view of the recent trading price of the Shares, the Board considers that the Share Consolidation will enable the Company to comply with the trading requirements under the GEM Listing Rules and reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction costs for each securities trade. With a corresponding upward adjustment in the trading price of the Consolidated Shares, the Board believes that the Share Consolidation will make investing in the Shares more attractive to a broader range of investors, and therefore further broaden the shareholder base of the Company.

In view of the above reasons, the Company considers the proposed Share Consolidation and Change in Board Lot Size is justifiable notwithstanding the potential costs and impact arising from creation of odd lots to Shareholders. Accordingly, the Board is of the view that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

(II) PROPOSED RE-ELECTION OF DIRECTORS

Reference is made to the announcement of the Company dated 1 April 2021, in relation to, among other things, the appointment of Ms. Shan Jinlan (“**Ms. Shan**”) and Mr. Wang Zhuchen (“**Mr. Wang**”) as independent non-executive Directors with effect from 1 April 2021.

Pursuant to code provision A.4.2 of the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules, all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Further, pursuant to article 112 of the articles of association of the Company, any Director appointed by the Board to fill a casual vacancy shall hold office until the next following general meeting of the Company and shall then be eligible for re-election at the meeting. Accordingly, the office of each of Ms. Shan and Mr. Wang will end at the EGM. Ms. Shan and Mr. Wang, being eligible, will offer themselves for the re-election at the EGM.

The biographical details of Ms. Shan and Mr. Wang are set out below.

LETTER FROM THE BOARD

Ms. Shan

Ms. Shan, aged 49, received a junior college degree of Finance (Money and Banking) from The Open University of China (formerly known as China Central Radio and TV University* (中央廣播電視大學)) and obtained the intermediate accounting certificate from the Ministry of Finance of the PRC in 2004. She previously worked at various companies that specialise in renewable energy and has accumulated extensive experience in finance and accounting.

There is no service contract between the Company and Ms. Shan. Ms. Shan is appointed for a term of one year and is subject to retirement by rotation and re-election in accordance with the articles of association of the Company and the GEM Listing Rules. Ms. Shan will be entitled to a Director's fee of RMB15,600 per month, which was recommended by the Remuneration Committee and has been determined with reference to the prevailing market conditions, her qualification and level of experience, and her roles and responsibilities in the Group, subject to review by the Board and the Remuneration Committee from time to time. She has not entered into nor proposed to enter into any service contracts which fall within the meanings of Rule 17.90 of the GEM Listing Rules requiring the prior approval of the Shareholders at general meetings, with the Company.

As at the date of this circular, save as disclosed above, (i) Ms. Shan does not hold any other position with the Company or its subsidiaries nor have any relationship with any director, senior management, substantial shareholder or controlling shareholder of the Company; (ii) Ms. Shan has not held any directorships in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (iii) Ms. Shan has not held any other major appointments and professional qualifications; and (iv) Ms. Shan does not have any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Ms. Shan has confirmed that she met the independence criteria set out in Rule 5.09 of the GEM Listing Rules. Save as disclosed above, there are no other matters relating to Ms. Shan's appointment that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

* *For identification purpose only*

LETTER FROM THE BOARD

Mr. Wang

Mr. Wang, aged 27, received a Bachelor of Economic Law from Northwest University of Political Science and Law and is a qualified lawyer in the PRC. He has worked at Shaanxi Yunde Law Firm in Shaanxi, the PRC since 2016 and has accumulated diverse experience in civil and commercial cases, construction-related matters and corporate-related matters.

There is no service contract between the Company and Mr. Wang. Mr. Wang is appointed for a term of one year and is subject to retirement by rotation and re-election in accordance with the articles of association of the Company and the GEM Listing Rules. Mr. Wang will be entitled to a Director's fee of RMB9,200 per month, which was recommended by the Remuneration Committee and has been determined with reference to the prevailing market conditions, his qualification and level of experience, and his roles and responsibilities in the Group, subject to review by the Board and the Remuneration Committee from time to time. He has not entered into nor proposed to enter into any service contracts which fall within the meanings of Rule 17.90 of the GEM Listing Rules requiring the prior approval of the Shareholders at general meetings, with the Company.

As at the date of this circular, save as disclosed above, (i) Mr. Wang does not hold any other position with the Company or its subsidiaries nor have any relationship with any director, senior management, substantial shareholder or controlling shareholder of the Company; (ii) Mr. Wang has not held any directorships in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (iii) Mr. Wang has not held any other major appointments and professional qualifications; and (iv) Mr. Wang does not have any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Mr. Wang has confirmed that he met the independence criteria set out in Rule 5.09 of the GEM Listing Rules. Save as disclosed above, there are no other matters relating to Mr. Wang's appointment that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

LETTER FROM THE BOARD

(III) EGM

The EGM will be held at Turquoise Room, 3rd Floor, Gateway Hotel, Harbour City, 13 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong at 11:45 a.m. on Thursday, 15 July 2021 for the Shareholders to consider and, if thought fit, pass the ordinary resolutions for approving the Share Consolidation and the re-election of Directors. All resolutions will be conducted by way of poll at the EGM and an announcement on the results of the EGM will be made by the Company after the EGM.

To the best knowledge, information and belief of the Directors, no Shareholder has a material interest in the Share Consolidation and the re-election of Directors, and is required to abstain from voting on the resolutions for approving the Share Consolidation and the re-election of Directors, at the EGM.

The notice of EGM is set out on pages EGM-1 to EGM-3 of this circular.

For determining the entitlement of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 12 July 2021 to Thursday, 15 July 2021 (both dates inclusive) during which period no transfer of the Shares will be registered. In order to be qualified for the entitlement to attend and vote at the EGM, all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Friday, 9 July 2021.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and delivery of an instrument appointing a proxy shall not preclude you from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed revoked.

LETTER FROM THE BOARD

COMPETING INTERESTS

To the best knowledge of the Directors, as at the Latest Practicable Date, none of the Directors nor their respective close associates has any interest in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the Group's businesses and there is no other conflict of interest which any such person has or may have with the Group which would be required to be disclosed pursuant to the GEM Listing Rules. The Company did not have a controlling shareholder as at the date of this circular.

RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

RECOMMENDATIONS

The Directors consider that the proposed resolutions in relation to the Share Consolidation and the re-election of Directors to be put forward at the EGM are in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Share Consolidation and the re-election of Directors.

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

NOTICE OF EGM



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “**EGM**”) of China Technology Industry Group Limited (the “**Company**”) will be held at Turquoise Room, 3rd Floor, Gateway Hotel, Harbour City, 13 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Thursday, 15 July 2021 at 11:45 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT** subject to and conditional upon (i) the granting of approval by the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) of the listing of, and permission to deal in, the Consolidated Shares (as defined below); and (ii) compliance with the relevant procedures and requirements under the Rules Governing the Listing of Securities on GEM of the Stock Exchange to effect the Share Consolidation (as defined below), with effect from the second business day immediately following the date on which this resolution is passed or the above conditions are fulfilled (whichever is later):
 - i. every five (5) issued and unissued ordinary shares of par value of HK\$0.10 each in the share capital of the Company be consolidated into one (1) consolidated share (“**Consolidated Shares**” and each a “**Consolidated Share**”) of par value of HK\$0.50 (the “**Share Consolidation**”), such Consolidated Shares shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions as contained in the memorandum and articles of association of the Company;

NOTICE OF EGM

- ii. immediately following the Share Consolidation, the authorised share capital of the Company be changed from HK\$500,000,000 divided into 5,000,000,000 ordinary shares of par value of HK\$0.10 each to HK\$500,000,000 divided into 1,000,000,000 ordinary shares of par value of HK\$0.50 each; and
 - iii. any one or more of the directors of the Company (the “**Directors**”) be and is/are hereby authorised to do all such acts and things and execute all such documents, which are ancillary to the Share Consolidation and of administrative nature, on behalf of the Company, including under seal where application, as he/they consider necessary, desirable or expedient to give effect to the foregoing arrangements for the Share Consolidation.”
2. “**THAT** Ms. Shan Jinlan be and is hereby re-elected as an independent non-executive Director and the board of Directors (the “**Board**”) be and is hereby authorised to fix her remuneration.”
 3. “**THAT** Mr. Wang Zhuchen be and is hereby re-elected as an independent non-executive Director and the Board be and is hereby authorised to fix his remuneration.”

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

Hong Kong, 17 June 2021

Notes:

1. A shareholder of the Company (the “**Shareholder**”) entitled to attend and vote at the EGM is entitled to appoint one proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his/her/its stead. A Shareholder who is the holder of two or more shares of the Company (the “**Shares**”) may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf at the EGM. A proxy need not be a Shareholder. In addition, a proxy shall be entitled to exercise the same powers on behalf of a Shareholder which is a corporation and for which he/she acts as proxy as such Shareholder could exercise if it were an individual Shareholder.
2. For determining the entitlement of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from 12 July 2021 to 15 July 2021, both days inclusive, during which no transfer of the Shares will be effected. In order to be entitled to attend and vote at the EGM, all share transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 9 July 2021.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

NOTICE OF EGM

4. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by 11:45 a.m. on Tuesday, 13 July 2021 or not later than 48 hours before the time appointed for any adjourned meeting of the EGM.
5. Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the EGM or any adjournment thereof and in such event, the form of proxy shall be deemed to be revoked.
6. In the case of joint holders of any Share, any one of such joint holders may vote at the EGM, either personally or by proxy, in respect of such share as if he/she/it was solely entitled thereto; but if more than one of such joint holders be present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such Share shall alone be entitled to vote in respect thereof.
7. In compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**"), all resolutions to be proposed at the EGM will be voted by way of poll.
8. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the Directors are:

Executive Directors:

Chiu Tung Ping (*Chairman*)

Yuen Hing Lan

Hu Xin

Tse Man Kit Keith

Independent non-executive Directors:

Ma Xingqin

Shan Jinlan

Wang Zhuchen

This notice, 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 notice 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 notice misleading.

This notice will remain on the website of the Company at www.chinatechindgroup.com and the website of GEM at www.hkgem.com on the "Latest Company Announcements" page for at least seven days from the date of its posting.