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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) POSITIVE PROFIT ALERT; AND (2) EXPANSION OF PRINCIPAL BUSINESS ACTIVITIES

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 RMB86.2 million for the three months ended 30 June 2020 (“**2020 Q1**”), representing an increase in revenue of approximately 234.6 per cent. as compared to the revenue of approximately RMB25.8 million for the three months ended 30 June 2019 (“**2019 Q1**”). The gross profit margin is also expected to increase from approximately 15.4 per cent. for 2019 Q1 to approximately 17.3 per cent. for 2020 Q1. As a result of the above, the Group expects to record a profit attributable to the owners of the Company for 2020 Q1 of approximately RMB9.1 million, as compared to a loss attributable to the owners of the Company for 2019 Q1 of approximately RMB5.5 million.

The increase in revenue was mainly attributable to revenue generated from the sales of wind power related products of approximately RMB73.4 million during 2020 Q1 where there was no revenue generated therefrom during 2019 Q1.

The increase in the gross profit margin was due to the increase in revenue generated from the sales of wind power related products as stated above, the decrease in revenue generated from the sales of solar power related products from approximately RMB25.8 million during 2019 Q1 to approximately RMB12.8 million during 2020 Q1 and that the gross profit for wind power related products was higher than that for solar power related products.

The expected profit attributable to the owners of the Company for 2020 Q1 in the amount of approximately RMB9.1 million was mainly attributable to the increase in revenue and gross profit of the Group during 2020 Q1.

The Company is still in the process of gathering information to finalise the unaudited consolidated results of the Group for 2020 Q1. 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 quarterly results announcement of the Group for 2020 Q1, 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.

EXPANSION OF PRINCIPAL BUSINESS ACTIVITIES

As at the date of this announcement, 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.

Reference is made to the Company's announcement dated 9 April 2020 (the "**Announcement**") in relation to, among other matters, the sales of towers for wind turbines. As disclosed in the Announcement, the Group entered into two supply contracts pursuant to which the Group agreed to, among other things, sell towers for wind turbines (the "**Transactions**"). The Board believes that the Transactions represent a good opportunity in the renewable energy business that is closely related the Group's main business in order to tap into other renewable energy areas, diversify the Group's renewable energy portfolios and supplement multi-type energy supply in the long run. The Transactions contributed to an increase in revenue of the Group in 2020 Q1 as stated above.

In order to broaden the source of income and offer better returns to the Shareholders, the Board has resolved that the Company will adopt sales of renewable energy products as one of the principal business activities of the Group. The Directors will continue to seek opportunities in respect of renewable energy products such as wind power related products so as to better utilise the existing resources to maximise returns to the Shareholders, broaden the source of income and improve the financial position of the Group.

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

Hong Kong, 3 August 2020

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

<i>Executive Directors:</i>	Chiu Tung Ping (<i>Chairman</i>)
	Yuen Hing Lan
	Hu Xin
	Tse Man Kit Keith

<i>Independent non-executive Directors:</i>	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.