Q TECHNOLOGY (GROUP) COMPANY LIMITED
丘鈦科技（集團）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1478)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that, based on the information currently available to the Company and the preliminary review by the Board on the unaudited management accounts of the Group for the five months ended 31 May 2019, which have not been reviewed or audited by the independent auditors and/or the audit committee, it is expected that the Group will record a consolidated profit attributable to the Shareholders before tax of approximately RMB150,000,000 to RMB180,000,000 for the six months ended 30 June 2019 as compared to a loss attributable to the Shareholders of approximately RMB51,288,000 for the six months ended 30 June 2018.

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

This announcement is made by Q Technology (Group) Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "**SFO**").

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the information currently available to the Company and the preliminary review by the Board on the unaudited management accounts of the Group for the five months ended 31 May 2019, which have not been reviewed or audited by the independent auditors and/or the audit committee, it is expected that the Group will record a consolidated profit attributable to the Shareholders before tax of approximately RMB150,000,000 to RMB180,000,000 for the six months ended 30 June 2019 as compared to a loss attributable to the Shareholders of approximately RMB51,288,000 for the six months ended 30 June 2018.

The Board believes that the expected profit attributable to the Shareholders before tax is mainly due to the following factors: (i) the gross profit margin of overall products improved apparently as compared with that of the corresponding period of the previous year due to a significant increase of sales volumes of camera modules and the enhancement of product mix of fingerprint recognition module products; (ii) the labour cost has improved as compared with that of the corresponding period of the previous year, which was mainly attributable to the upgrading of the production automation that has gradually demonstrated results; and (iii) Newmax Technology Co., Ltd., an associated company of the Company, has significantly improved its managing situation for the period from January 2019 to April 2019 as compared with that of the corresponding period of the previous year and has recorded a profit. However, the central parity rate of RMB against USD appreciated from January 2019 to April 2019 but depreciated from May 2019 till the date of this announcement due to the influence of trade disputes, which has impacted on the operating profit of the Group.

The information contained in this announcement is only based on the information currently available to the Company and the preliminary review by the Board on the unaudited management accounts of the Group for the five months ended 31 May 2019, which have not been reviewed or audited by the independent auditors and/or the audit committee of the Company. The actual financial results of the Group for the six months ended 30 June 2019 may differ from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully about the announcement of the Company for the interim results for the six months ended 30 June 2019, which is expected to be published in mid-to-late August 2019 in accordance with the requirements of the Listing Rules.

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

By Order of the Board
Q Technology (Group) Company Limited
He Ningning
Chairman and Executive Director

Hong Kong, 14 June 2019

As at the date of this announcement, the Executive Directors are Mr. He Ningning (Chairman), Mr. Wang Jianqiang (Chief Executive Officer) and Mr. Hu Sanmu; and the Independent Non-executive Directors are Mr. Ko Ping Keung, Mr. Chu Chia-Hsiang and Mr. Ng Sui Yin.