

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

China PengFei Group Limited

中国鹏飞集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3348)

POSITIVE PROFIT ALERT

This announcement is made by China PengFei Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors that based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 and the information currently available to the Group, the Group expects to record a substantial increase of not less than 50% in profit attributable to owners of the Company for the year ended 31 December 2020 as compared to the year ended 31 December 2019.

The expected increase in the profit attributable to owners of the Company for the year ended 31 December 2020 is primarily attributable to (i) significant increase in the amount of government grants received; (ii) decrease in transportation cost due to the implementation of toll fee exemption in the first half of the year 2020 in the People’s Republic of China, and the decrease in overseas transportation demand due to the negative impact on business operation of the Group’s overseas customers, especially for the construction of production line, from the COVID-19 pandemic, despite the Group has managed to sustain positive growth in respect of its domestic sales and expects to achieve an overall increase in total revenue for the year ended 31 December 2020; and (iii) the absence of listing expenses.

As at the date of this announcement, the Company is still in the course of finalising the consolidated financial results of the Group for the year ended 31 December 2020. The information contained in this announcement is only based on a preliminary assessment of the Board with reference to the unaudited consolidated management accounts of the Group currently available, which have not been audited or reviewed by the Company’s independent auditor or the audit committee of the Board and may be subject to adjustments. Details of the financial information of the Group for the year ended 31 December 2020 will be disclosed in the annual results announcement and the annual report of the Company to be published in due course.

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

By order of the Board
China PengFei Group Limited
Wang Jiaan
Chairman and Executive Director

Hong Kong, 10 March 2021

As of the date of this announcement, the Board comprises Mr. Wang Jiaan, Mr. Zhou Yinbiao, Mr. Dai Xianru, and Mr. Ben Daolin as executive directors, and Ms. Zhang Lanrong, Mr. Ding Zaiguo, and Mr. Mak Hing Keung, Thomas as independent non-executive directors.