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CHINA GRAPHENE GROUP LIMITED

中國烯谷集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 63)

POSITIVE PROFIT ALERT SUPPLEMENTAL ANNOUNCEMENT

This announcement is made by China Graphene 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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the positive profit alert announcement of the Company dated 6 March 2020 (the “**Announcement**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board wishes to further update the Shareholders and potential investors that the Group expects to record a substantially reduced net loss of approximately HKD10,000 for the year ended 31 December 2019 (subject to final audited results) as compared to the net loss amounted to approximately HKD88,822,000 for the year ended 31 December 2018.

Based on the above information, the Board wishes to clarify that the 1st paragraph on page 2 of the Announcement should be amended as follows (with amendment bolded and underlined):

“Based on the relevant information currently available to the Company, the Board considers that the expected **substantial reduction of net loss (subject to final audited results) of the Group recorded for the year ended 31 December 2019** was mainly attributable to the net effect of:

	<u>2019</u> <u>HK\$'000</u>	<u>2018</u> <u>HK\$'000</u>
<u>(i) Operating and administrative expenses</u>	<u>(34,951)</u>	<u>(56,267)</u>
<u>(ii) Fair value gain on investment properties</u>	<u>20,800</u>	<u>10,800</u>
<u>(iii) Write-off of prepayment for property, plant and equipment</u>	<u>–</u>	<u>(54,516)</u>
<u>(iv) Other income</u>	<u>9,112</u>	<u>–</u>

The Company is still in the process of finalizing the final results of the Group for the year ended 31 December 2019. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the draft unaudited consolidated management accounts of the Group for the year ended 31 December 2019, which have neither been confirmed nor audited by the Company’s auditors and are subject to adjustments. Shareholders of the Company and potential investors are advised to read carefully the Company’s announcement regarding the final results of the Group for the year ended 31 December 2019 which is expected to be published in late March 2020.

Save as disclosed above, other information in the Announcement shall remain unchanged.

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

By order of the Board
China Graphene Group Limited
Huang Binghuang
Chairman

Hong Kong, 13 March 2020

As at the date of this announcement, the Board consists of Mr. Huang Binghuang, Mr. Zhou Chen and Ms. Xia Ping as executive Directors; Ms. Wang Lijiao as non-executive Director; and Mr. Lum Pak Sum, Mr. Chow Chi Ping and Mr. Gao Han as independent non-executive Directors.