

Hong Kong Exchange 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.



Q Tech

Q TECHNOLOGY (GROUP) COMPANY LIMITED

丘鈇科技(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1478)

**DISCLOSEABLE TRANSACTION
REDEMPTION OF THE WEALTH MANAGEMENT PRODUCT**

REDEMPTION OF THE WEALTH MANAGEMENT PRODUCTS

On 27 April 2023 and 19 May 2023, the Group redeemed a total of RMB200 million of Wealth Management Products issued by China Minsheng Bank in two installments, i.e. the Redemptions. The total unaudited income arising from the Redemptions amounted to approximately RMB5,345,000.

IMPLICATION UNDER THE LISTING RULES

No single Redemption has an applicable percentage ratio of more than 5%. Pursuant to Rule 14.22 of the Listing Rules, as one of the applicable percentage ratios of the two Redemptions calculated on an aggregated basis is more than 5% but less than 25%, the Redemptions would constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and would be subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

REDEMPTION OF THE WEALTH MANAGEMENT PRODUCTS

On 26 April 2022 and 17 May 2022, the Group (through its wholly-owned subsidiary, Kunshan QT China) subscribed for the low-risk Wealth Management Products issued by China Minsheng Bank with its idle own funds and entered into subscriptions with China Minsheng Bank in the principal amount of RMB200 million in aggregate. Pursuant to the relevant subscription agreement, the funds for subscription of the Wealth Management Products are mainly invested in standardized fixed income assets such as bond products, cash assets, funds, asset-backed securities and fixed income derivatives such as bond lending. On 27 April 2023 and 19 May 2023, the Group redeemed the above-mentioned Wealth Management Products in two installments. A summary of the Redemptions is as follows:

No.	Date of subscription	Name of product	Product issuer	Subscription amount (RMB'000)	Type of product	Term	Redemption date	Redemption amount (RMB'000)	Wealth management income (RMB'000)
1	26 April 2022	China Minsheng Bank Fuzhu corporate wealth management products related to pure bonds with 182 days holding period and automatic renewal (中國民生銀行富竹純債182天持有期自動續期對公款理財產品)	China Minsheng Bank	100,000	Non-guaranteed principal with fixed return	Non-fixed term	27 April 2023	100,000	2,700
2	17 May 2022	China Minsheng Bank Fuzhu corporate wealth management products related to pure bonds with 182 days holding period and automatic renewal (中國民生銀行富竹純債182天持有期自動續期對公款理財產品)	China Minsheng Bank	100,000	Non-guaranteed principal with fixed return	Non-fixed term	19 May 2023	100,000	2,645
Total				<u>200,000</u>				<u>200,000</u>	<u>5,345</u>

The unaudited income arising from the Redemptions are approximately RMB5,345,000 in total, with an average annualized rate of return of approximately 2.71% and 2.65% respectively. These proceeds will be used as general working capital and short-term investments (if applicable) of the Group. The Group's gain or loss arising from the Redemptions is subject to audit and/or review by the auditors.

As at the date of this announcement, the Wealth Management Products of the Group under the China Minsheng Bank Subscriptions have been redeemed and the Group did not hold any outstanding wealth management products of China Minsheng Bank.

REASONS FOR AND BENEFITS OF THE REDEMPTIONS

The Group invests wealth management products with idle cash derived from its business operations to make full use of its idle funds and improve the rate of return on idle funds while achieving income balance and maintaining high liquidity and low risk. In view of the Company's treasury policy and recent working capital arrangements, the Group carried out the Redemptions. Benefiting from the Redemptions, the Group obtained unaudited income of approximately RMB5,345,000. The Group intends to use the proceeds from the Redemptions (including principal and income) for general working capital and short-term investments (if applicable).

The Directors believe that the Redemptions are on normal commercial terms, fair and reasonable, in line with the treasury policy of the Company and in the interests of the Company and its shareholders as a whole.

INFORMATION OF THE PARTIES

The Group is primarily engaged in the design, research and development, manufacture and sales of camera modules and fingerprint recognition modules, and centred on mid-to-high end camera and fingerprint recognition module market for intelligent mobile terminals such as global smart phone and tablet PC brands, Internet of Things (IoT), smart vehicles, etc.

China Minsheng Bank is a licensed bank under the laws of the PRC and is principally engaged in the provision of corporate and personal banking and other financial services in the PRC and is ranked among the top 20 commercial banks in the PRC banking industry (based on net core tier 1 capital) in 2022.

To the best of the Directors' knowledge, information and belief, after making all reasonable enquiries, China Minsheng Bank and its ultimate beneficial owners are third parties independent of, and not connected with, the Company and its connected persons.

IMPLICATION UNDER THE LISTING RULES

No single Redemption has an applicable percentage ratio of more than 5%. Pursuant to Rule 14.22 of the Listing Rules, as one of the applicable percentage ratios of the two Redemptions calculated on an aggregated basis is more than 5% but less than 25%, the Redemptions would constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and would be subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL

None of the Directors is deemed to be interested in the Redemptions. Therefore, no Director is required to abstain from voting on the approval of Redemptions at the Board meeting.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context otherwise requires:

“Board”	the board of Directors
“China Minsheng Bank”	China Minsheng Banking Corporation Limited, a joint-stock commercial bank incorporated in the PRC, the issued shares of which are listed and traded on the Main Board of the Shanghai Stock Exchange and the Main Board of the Stock Exchange (stock code: 600016.SH and 1988.HK)
“Company”	Q Technology (Group) Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed and traded on the main board of the Stock Exchange (stock code: 1478)
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Kunshan QT China”	Kunshan QTech Microelectronics Co., Ltd., a company established in the PRC, and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Redemptions”	the redemption of the Wealth Management Products by the Group from China Minsheng Bank on 27 April 2023 and 19 May 2023
“RMB”	Renminbi, the lawful currency of PRC
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holders of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscriptions”	the subscription of the Wealth Management Products made by the Group from China Minsheng Bank on 26 April 2022 and 17 May 2022
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“Wealth Management Product(s)”	the wealth management product(s) issued by China Minsheng Bank and subscribed by the Group under relevant subscription agreement
“%”	per cent.

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

Hong Kong, 19 May 2023

As at the date of this announcement, the executive Directors are Mr. He Ningning (chairman), Mr. Hu Sanmu (chief executive officer) and Mr. Fan Fuqiang; and the independent non-executive Directors are Mr. Chu Chia-Hsiang, Mr. Ko Ping Keung and Mr. Ng Sui Yin.