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Innovativity To Productivity

PRODUCTIVE TECHNOLOGIES COMPANY LIMITED

普達特科技有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 650)

PROFIT WARNING

This announcement is made by Productive Technologies Company Limited (the “**Company**”) 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment of the latest unaudited consolidated management accounts of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 September 2023 (the “**Reporting Period**”) and the information currently available to the Board, the Group is expected to record a net loss attributable to the equity shareholders of the Company of approximately HK\$141.7 million (for the six months ended 30 September 2022: loss of HK\$43.0 million).

The estimated net loss attributable to the equity shareholders of the Company for the Reporting Period is primarily attributable to the administrative and research and development (“**R&D**”) expenses of approximately HK\$145.8 million in relation to the rapid development and expansion of the Company’s new pan-semiconductor business in semiconductor and solar industry, including share-based compensation expenses and the R&D for 6 to 12 inches single wafer cleaning equipment, high WPH (Wafer Per Hour) solar wet processing equipment and copper plating equipment, which shall become the major products of the Company.

The increase of such loss as compared to that for the corresponding six months ended 30 September 2022 was mainly attributable to: (1) the decrease in investment income of approximately HK\$44.5 million from fair value changes in investment projects and the equity pickup in associates, which are in relation to non-equipment business; (2) the decrease of the gross profit contribution from crude oil sales of approximately HK\$23.1

* *For identification purposes only*

million from Xilin Gol League Hongbo Mining Development Company Limited*'s crude oil sales business; and (3) the increase in the net loss caused by the increase of administrative and R&D expenses stated above partially offset by the gross profit contribution from the pan-semiconductor business, which totals approximately HK\$53.5 million.

The Company is in the course of preparing its unaudited interim results for the Reporting Period. The information contained in this announcement is only a preliminary assessment by the Board based on the latest unaudited consolidated management accounts of the Group and the latest information currently available. Such information has not been audited or reviewed by the Company's auditor or its audit committee and will be subject to change and finalization. Shareholders and potential investors are advised to refer to the details in the unaudited interim results announcement of the Company to be published on 24 November 2023.

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

By Order of the Board
Productive Technologies Company Limited
Liu Erzhuang
Chairman and Chief Executive Officer

Hong Kong, 13 November 2023

As at the date hereof, the Board comprises seven Directors, of whom three are executive Directors, namely Dr. Liu Erzhuang (Chairman), Mr. Tan Jue and Mr. Liu Zhihai; one is non-executive Director, namely Mr. Cao Xiaohui; and three are independent non-executive Directors, namely Ms. Ge Aiji, Mr. Chau Shing Yim David, and Mr. Wang Guoping.