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中國地熱能產業發展集團有限公司
CHINA GEOTHERMAL INDUSTRY DEVELOPMENT GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8128)

PROFIT WARNING

This announcement is made pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of China Geothermal Industry Development Group Limited (the “**Company**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary assessment of the unaudited consolidated management accounts of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2019 (the “**Year**”), the Group expected that the net loss for the Year will be increased by not more than approximately 15% as compared to the net loss for the corresponding period in 2018. The increase in net loss was mainly attributable to the expected increase in the amount of impairment on goodwill for the Year.

As the Company is still in the process of finalizing the results for the year ended 31 December 2019 (the “**Annual Results 2019**”), the information contained in this announcement is only based on the Board’s preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 which have not been finalised nor audited by the auditor and reviewed by the audit committee. The announcement of the Annual Results 2019 of the Group is expected to be released by the end of March 2020.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board of
China Geothermal Industry Development Group Limited
Xu Shengheng
Joint Chairman & Executive Director

Hong Kong, 20 February 2020

As at the date of this announcement, the Board comprises Mr. Xu Shengheng, Ms. Wang Yan, Ms. Chan Wai Kay, Katherine, Mr. Wang Manquan, Mr. Zang Yiran and Mr. Dai Qi as executive Directors, Mr. Yang Wei, Mr. Zhang Yiying and Mr. Wang Michael Zhiyu (Ms. Liu Ening being his alternate Director) as non-executive Directors, Mr. Jia Wenzeng, Mr. Wu Desheng, Mr. Wu Qiang and Mr. Guo Qingui as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website with the domain name of www.hkgem.com on the "Latest Company Announcement" page for at least 7 days from the date of publication and on the website of the Company at www.cgsenergy.com.hk.