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KANGDA INTERNATIONAL ENVIRONMENTAL COMPANY LIMITED

康達國際環保有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock code: 6136)

PROFIT WARNING

This announcement is made by Kangda International Environmental Company Limited (the “**Company**”), and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 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 (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 and the potential investors that, based on a preliminary review and assessment of the Group’s unaudited consolidated management accounts, the Group expected to record an approximately 40-45% decrease in the profit attributable to equity owners of the Company for the year ended 31 December 2022 (“**FY 2022**”) as compared to that for the year ended 31 December 2021. Such decrease is mainly attributable to (i) reduction in construction projects and increases in operating costs such as chemicals and electricity lead to decrease in gross profit margin; (ii) decreases in government grants and investment income; and (iii) exchange loss caused by the depreciation of Renminbi exchange rate during the year. The Board considers that the Group’s overall financial position, businesses and operations remain healthy, and is optimistic about the long-term development of the Group.

The Group is still in the process of finalizing its consolidated annual results for FY 2022. As such, this announcement is made solely on the basis of assessment by the Board with reference to the unaudited consolidated management accounts of the Group available for the time being, which have not been reviewed by the Audit Committee and audited by the auditors of the Company and may be subject to finalization and necessary adjustments. Details of the Group’s financial performance will be disclosed in the annual results announcement of the Group for FY 2022, which is expected to be published by the end of March 2023.

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

By order of the Board
Kangda International Environmental Company Limited
LI Zhong
Co-Chairman

Hong Kong, 17 March 2023

As at the date of this announcement, the Board comprises seven Directors, namely Mr. ZHAO Juanxian (alias, ZHAO Junxian), Mr. LI Zhong, Ms. LIU Yujie, and Mr. DUAN, Jerry Linnan as executive Directors; and Mr. CHAU Kam Wing, Mr. CHANG Qing and Mr. PENG Yongzhen as independent non-executive Directors.