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順風國際清潔能源有限公司

SHUNFENG INTERNATIONAL CLEAN ENERGY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01165)

PROFIT WARNING

This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors of the Company that based on the preliminary assessment with reference to the unaudited consolidated management accounts of the Group, it is expected that the Group will record a loss of approximately RMB471 million for the Year 2023, as compared to the loss of approximately RMB179 million for the Year 2022.

As the Company is still in the process of gathering information to finalise the annual results of the Group for the Year 2023, this announcement is made only based on the preliminary assessment with reference to the unaudited consolidated management accounts of the Group which have not been audited or reviewed by the Company's auditors and the information currently available to the Board, and is not based on any information or figures which have been audited or reviewed by the Company's auditors or the audit committee of the Board.

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

This announcement is made by Shunfeng International Clean Energy Limited (the "**Company**"), together with its subsidiaries, the "**Group**") pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "**SFO**") and Rule 13.09(2)(a) of the Listing Rules.

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that based on the preliminary assessment with reference to the unaudited consolidated management accounts of the Group, it is expected that the Group will record a loss of approximately RMB471 million for the year ended 31 December 2023 (the “**Year 2023**”), as compared to the loss of approximately RMB179 million for the year ended 31 December 2022 (the “**Year 2022**”), which is mainly attributable to the following reasons:

- (i) the Group recorded a reversal of impairment loss on solar power plants of approximately RMB141 million for the Year 2022, while no such reversal is expected to be recorded for the Year 2023;
- (ii) the Group recorded a gain on settlement on a financial guarantee of approximately RMB191 million for the Year 2022, while no such gain is expected to be recorded for the Year 2023;
- (iii) the Group recorded contingent tariff subsidies received of approximately RMB92 million for the Year 2022, while no such income is expected to be recorded for the Year 2023;
- (iv) the Group is expected to record an impairment loss on intangible assets of approximately RMB60 million for the Year 2023, while no such loss was recorded for the Year 2022; and
- (v) despite the above reasons leading to the loss for the Year 2023 as compared to the Year 2022, the Group is expected to record (i) a decrease in net foreign exchange loss of approximately RMB131 million, or approximately 57.2% from approximately RMB229 million for the Year 2022 to approximately RMB98 million for the Year 2023 and (ii) a decrease in finance costs of approximately RMB33 million, or approximately 7.6% from approximately RMB431 million for the Year 2022 to approximately RMB398 million for the Year 2023.

The Company is still in the process of gathering information to finalise the annual results of the Group for the Year 2023. Therefore, the information contained in this announcement is only based on the preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the Year 2023 currently available, and is not based on any information or figures which have been audited or reviewed by the Company’s auditors or the audit committee of the Board. Shareholders and potential investors of the Company are advised to peruse with care the annual results announcement of the Group for the Year 2023, which is expected to be released by the end of March 2024.

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

By order of the Board of
Shunfeng International Clean Energy Limited
Wang Yu
Chairman

Hong Kong, 18 March 2024

As at the date of this announcement, the executive Directors are Mr. Wang Yu, Mr. Zhang Fubo, Mr. Lu Bin and Mr. Chen Shi; and the independent non-executive Directors are Mr. Tao Wenquan, Mr. Zhao Yuwen and Mr. Kwong Wai Sun Wilson.