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DONGJIANG ENVIRONMENTAL COMPANY LIMITED*

東江環保股份有限公司

(a joint stock limited company incorporated in the People's Republic of China)

(Stock code: 00895)

INSIDE INFORMATION INTERIM RESULTS ESTIMATE OF 2024

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

I. ESTIMATED RESULTS FOR THE PERIOD

- (I) Results Estimation Period: 1 January 2024 to 30 June 2024 (the “**Reporting Period**”)
- (II) Estimated Results

Items	Reporting Period	Corresponding period of last year
Net profit/loss attributable to shareholders of the listed company (<i>RMB</i>)	Loss: 256,000,000 – 246,000,000	Loss: 198,920,800
	Year-on-year increase in loss: 28.69% - 23.67%	
Net profit/loss after non-recurring profit or loss (<i>RMB</i>)	Loss: 270,000,000 – 260,000,000	Loss: 211,173,300
	Year-on-year increase in loss: 27.86% - 23.12%	

Basic earning/loss per share (RMB)	Loss: 0.23 – 0.22 per share	Loss: 0.20 per share
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II. COMMUNICATION WITH THE ACCOUNTING FIRM

This results estimate has not been pre-audited by certified public accountants, but the Company has communicated with the accounting firm (auditor) in advance on matters relating to the estimated results, and there is no disagreement between the Company and the accounting firm (auditor) in respect of the estimated results.

III. REASONS FOR THE ESTIMATED CHANGES IN RESULTS

In the first half of 2024, affected by various factors such as external demand and industry competition, the hazardous waste market continued to decline. During the Reporting Period, the average collection and transportation prices for various types of waste still showed a year-on-year decline and the rising upstream metal prices have not yet been reflected in downstream products. These exerted pressure on the profitability of the Company's three main businesses: harmless treatment, recycling, and precious metal recycling, and hence causing the gross profit margin to remain at a lower level. Although the Company continued to record a loss in the second quarter, the loss has narrowed and was mainly attributable to amortization and depreciation. The Company's core operations remained stable.

In response to the difficult industry and operational challenges, the new management team of the Company, on the basis of diligent careful analysis of the Company's operations, sought breakthroughs and revolutions with extreme thoughts and strived for changes. The "Three Extremes and Four Strengths" operational philosophy and measures were swiftly formulated, focusing on "strengthening assessment, strengthening restrictions, strengthening incentives, and strengthening tolerance" to effectively implement the three key initiatives: "extreme efficiency enhancement, extreme cost reduction, and extremely efficient transformation." With the continuous strengthening of macro-control measures in Mainland China and the introduction of policies supporting the circular economy, the Company will seek new transformation opportunities on the basis of solid core operations, so as to build momentum for the next phase of high-quality development.

IV. RISK WARNING AND OTHER RELEVANT INFORMATION

This results estimate is only based on the preliminary estimation made by the finance department of the Company. The actual financial information is subject to the interim results for 2024 to be disclosed by the Company before the end of August 2024.

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

By order of the Board
Dongjiang Environmental Company Limited*
Wang Bi'an
Chairman

Shenzhen, the PRC
9 July 2024

As at the date of this announcement, the Board of Directors of the Company comprises three executive Directors, being Mr. Wang Bi'an, Mr. Li Xiangli and Mr. Yu Fan; three non-executive Directors, Mr. Huang Honggang, Mr. Liu Xiaoxuan and Mr. Jin Yongfu; and three independent non-executive Directors, being Mr. Li Jinhui, Mr. Siu Chi Hung and Ms. Guo Suyi.

** For identification purpose only*