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**中國水業集團有限公司\***  
**CHINA WATER INDUSTRY GROUP LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1129)**

**PROFIT WARNING  
AND  
INSIDE INFORMATION**

This announcement is made by China Water Industry Group Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) in 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) of Part XIVA of the Securities and Future Ordinance (Chapter 571, Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to inform shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024 (the “**First Half 2024**”) and the information currently available to the Board, it is expected that the Group may record a net loss attributable to equity shareholders of the Company of not more than HK\$85.00 million for the First Half 2024 as compared to that of a net loss of approximately HK\$56.36 million attributable to owners of the Company for the six months ended 30 June 2023 (the “**First Half 2023**”).

Comparing with the First Half 2023, the Board considered that the increase in net loss was mainly attributable to, among others, net impact of the following factors: (i) the decline in revenue and gross profit derived from the renewable energy business, mainly resulting from the decrease in landfill site in operation and resulted in substantial reduction in the volume of on-grid electricity as local incineration projects being developed which resulted in less new garbage being delivered to the landfill sites for landfill site operation; (ii) the decrease in revenue and gross profit derived from the water supply related installation, construction and infrastructure business as a result of less engineering and construction contracts awarded during the First Half 2024; (iii) the absence of gain from the disposal of subsidiary in property development business segment upon the completion of the disposal in First Half 2023; and (iv) the increase in finance cost due to an addition loan borrowing. The effects of the aforesaid factors were partially offset by (a) the decrease in administrative and selling

\* *For identification purpose only*

expenses by implementing measures to tighten cost controls over various operating and corporate expenses; (b) increase in other income generated from glass management contracts and (c) the decrease in income tax as a result of the decrease in taxable profit generated in First Half 2024.

The Company is still in the process of finalising its unaudited consolidated financial statements for the First Half of 2024. The information contained in this announcement is only based on preliminary assessment made by the Board with reference to the information currently available, which has not been reviewed or audited by the auditors and/or audit committee of the Company and may be subject to change. Shareholders and potential investors are advised to refer to the details of the Group's financial results for the First Half of 2024, which are expected to be published on 29 August 2024.

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

By order of the Board  
**China Water Industry Group Limited**  
**Mr. Zhu Yongjun**  
*Chairman and Executive Director*

Hong Kong, 12 August 2024

*As at the date of this announcement, the Board comprises Mr. Zhu Yongjun (Chairman) and Ms. Chu Yin Yin, Georgiana, all being executive Directors, Mr. Wong Siu Keung, Joe and Mr. Lam Cheung Shing, Richard, all being independent non-executive Directors.*