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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 year ended 31 December 2024 (the “**FY2024**”) and the information currently available to the Board, it is expected that the Group may record a net loss attributable to owners of the Company of not more than HK\$390 million for the FY2024 as compared to that of a net loss of approximately HK\$243.45 million attributable to owners of the Company for the year ended 31 December 2023 (the “**FY2023**”).

Comparing with the FY2023, the Board considered that the increase in net loss attributable to owners of the Company 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 number of landfill site in operation and the substantial reduction in the volume of on-grid electricity due to less available new garbage being delivered to the landfill sites for generation of electricity as local incineration projects being in operation; and (ii) the impairment losses on non-financial assets mainly including goodwill, intangible assets and property, plant and equipment of the Group’s renewable energy projects mainly due to the continued decline in the volume of on-grid electricity generated resulting in the continuous operating losses of certain renewable energy projects. The effects of the aforesaid factors were partially offset by (a) the decrease in

* *For identification purpose only*

administrative and selling expenses by implementing measures to tighten cost controls over various operating and corporate expenses; (b) the recognition of other operating income in FY2024 as compared to an other operating loss in prior year owing to the write off of equipment and the relevant payment made arising from litigation in FY2023; (c) the net contribution from the disposal of Yichun Water Industry Group Company Limited recognized in FY2024; (d) the decrease in the provision of expected credit loss on loans receivable; and (e) the decrease in income tax as a result of the decrease in taxable profit generated in FY2024.

The Company is still in the process of finalizing its annual results for FY2024 (including but not limited to relevant provisions and/or write-downs on assets). The information contained in this announcement is only a preliminary assessment by the management of the Company with reference to the unaudited consolidated management accounts of the Group for the FY2024 which has neither been reviewed by the audit committee nor auditors of the Company and is subject to possible adjustments upon further review. Finalized annual results of the Group for FY2024 will be disclosed in the annual results announcement of the Group, which is expected to be published on 28 March 2025. Shareholders and potential investors are advised to read such results announcement carefully.

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, 20 March 2025

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, Mr. Lam Cheung Shing, Richard and Mr. Mak Ka Wing, Patrick all being independent non-executive Directors.