CHINA ENVIRONMENTAL TECHNOLOGY HOLDINGS LIMITED
中國環保科技控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 646)

ANNOUNCEMENT RELATING TO THE REVISED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2018

Reference is made to the announcements of China Environmental Technology Holdings Limited (the "Company") dated 31 August 2018 and 5 March 2019 in relation to the unaudited consolidated interim results for the six months ended 30 June 2018 (the "Interim Results Announcement") and the loss of control over certain subsidiaries (the "Announcement") respectively. Capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement, unless otherwise stated therein.

As announced in the Announcement that due to the occurrence of certain triggering events in 2018 and 2019, the Group is no longer able to exercise control over the assets and operations over PFI Cayman Group. Accordingly, the Board is of the view that PFI Cayman Group should not be consolidated in to the Group's financial statements for full financial year ended 31 December 2018. Therefore, the Group adopted HKFRS 10 "Consolidated Financial Statements" to account for the loss of control of PFI Cayman Group and adopted equity method in accordance with HKAS 28 "Investments in Associates" as its accounting policy to account for the investment in PFI Cayman Group with effect from 1 January 2018.

REVISED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2018

The interim results of the Company for the six months ended 30 June 2018 have been revised to reflect the loss of control of PFI Cayman Group and the adoption of equity method to account for the Group's interests in PFI Cayman Group. The loss attributable to the owners of the Company, the comprehensive loss attributable to the owners of the Company during the six months ended 30 June 2018 and the equity attributable to the owners of the Company as at 30 June 2018 were not affected by this revision.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2018 – Unaudited

	Revised figures to reflect the reclassification of subsidiaries to associates Unaudited HK$'000	Figures previously published on 31 August 2018 Unaudited HK$'000
Turnover	**25,268**	42,736
Cost of sales	**(17,324)**	(27,781)
Gross profit	**7,944**	14,955
Share results of associates	**1,767**	—
Other income	**84**	84
Other gain/(losses), net	**15,272**	15,401
Distribution costs	**(584)**	(584)
Administrative expenses	**(42,272)**	(44,651)
Loss from operations	**(17,789)**	(14,795)
Finance costs	**(7,946)**	(7,946)
Loss before taxation	**(25,735)**	(22,741)
Income tax credit	**190**	1,401
Loss for the period	**(25,545)**	(21,340)
Loss for the period attributable to:		
Owners of the Company	**(24,552)**	(24,552)
Non-controlling interests	**(993)**	3,212
	(25,545)	(21,340)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Continued)

For the six months ended 30 June 2018 – Unaudited

	Revised figures to reflect the reclassification of subsidiaries to associates Unaudited HK$'000	Figures previously published on 31 August 2018 Unaudited HK$'000
Other comprehensive income:		
Foreign currency translation reserve reclassified to profit or loss upon disposal of subsidiaries	**989**	989
Exchange differences on translating of foreign operations	**(6,315)**	(6,315)
Total other comprehensive income for the period	**(5,326)**	(5,326)
Total comprehensive loss for the period	**(30,871)**	(26,666)
Total comprehensive loss for the period attributable to:		
Owners of the Company	**(30,878)**	(30,878)
Non-controlling interests	**7**	4,212
	(30,871)	(26,666)
Loss per share:		
Basic (HK cents)	**(0.67)**	(0.67)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2018 – Unaudited

	Revised figures to reflect the reclassification of subsidiaries to associates Unaudited HK$'000	Figures previously published on 31 August 2018 Unaudited HK$'000
Non-current assets		
Property, plant and equipment	**26,271**	27,861
Intangible assets	**1,852**	71,594
Deposits paid for property, plant and equipment	**12,152**	12,152
Goodwill	**2,936**	100,604
Interests in associates	**136,638**	—
	179,849	212,211
Current assets		
Inventories	**9,186**	9,873
Trade and other receivables	**113,901**	141,249
Contract assets	**224**	224
Financial assets at fair value through profit or loss	**—**	—
Restrcted and pledged bank deposits	**—**	—
Bank and cash balances	**72,269**	73,247
	195,580	224,593
Current liabilities		
Trade and other payables	**93,890**	93,589
Contract liabilities	**2,045**	2,045
Current tax liabilities	**13,057**	20,970
Borrowings	**61,091**	61,091
Deferred revenue	**—**	—
Finance lease payables	**—**	—
	170,083	177,695
Net current assets / (liabilities)	**25,497**	46,898
Total assets less current liabilities	**205,346**	259,109

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

At 30 June 2018 – Unaudited

	Revised figures to reflect the reclassification of subsidiaries to associates Unaudited HK$'000	Figures previously published on 31 August 2018 Unaudited HK$'000
Non-current liablities		
Borrowings	**22,750**	22,750
Convertible bonds	**85,214**	85,214
Deferred tax liabilities	**139**	11,646
	108,103	119,610
NET ASSETS	**97,243**	139,499
Capital and reserves		
Share capital	**91,259**	91,259
Reserves	**(16,526)**	(16,526)
Equity attributable to owners of the Company	**74,733**	74,733
Non-controlling interests	**22,510**	64,766
TOTAL EQUITY	**97,243**	139,499

By Order of the Board
China Environmental Technology Holdings Limited
Xu Zhong Ping
Chairman

Hong Kong, 27 March 2019

As at the date of this announcement, the executive directors are Mr. Xu Zhong Ping and Ms. Hu Yueyue; the non-executive directors are Mr. Ma Tianfu and Mr. Xu Xiao Yang; and the independent non-executive directors are Mr. Tse Chi Wai, Professor Zhu Nan Wen and Professor Li Jun.