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浙江天潔環境科技股份有限公司

Zhejiang Tengy Environmental Technology Co., Ltd

(a joint stock company established in the People's Republic of China with limited liability)

(Stock Code: 1527)

PROFIT WARNING

This announcement is made by Zhejiang Tengy Environmental Technology Co., Ltd (the “**Company**”, together with its subsidiaries, the “**Group**”) 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).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) of the Company and potential investors that, based on the information currently available to the Company and the preliminary review by the Board of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020, the Group is expected to record a decrease in the net profit for the six months ended 30 June 2020 of over 50% as compared to the net profit of approximately RMB29.06 million for the six months ended 30 June 2019.

The Board considered that the aforesaid loss was mainly attributable to the decrease in total secured contracts sum for the six months ended 30 June 2020 due to the outbreak of the novel coronavirus disease (COVID-19) (the “**Epidemic**”). The outbreak of the Epidemic resulted in recent downtrend of economy and transportation difficulties in the People's Republic of China, which delayed new tenders and affected the customer orders due to slower economic activity.

The Company is still in the process of finalising the financial results of the Group for the six months ended 30 June 2020. The information contained in this announcement is only a preliminary assessment based on the unaudited consolidated management accounts of the Group and the information currently available for the time being, which have not been audited nor reviewed by the Company's auditors and have not been confirmed by the audit committee of the Board and is subject to adjustments. The financial results of the Group for the six months ended 30 June 2020 will be set out in the interim results announcement of the Company to be published by the end of August 2020.

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

Zhejiang Tengy Environmental Technology Co., Ltd

Mr. BIAN Yu

Chairman and executive director

Zhuji City, Zhejiang Province, the PRC 23 July 2020

As at the date of this announcement, the executive Directors are Mr. BIAN Yu, Mr. BIAN Weican and Ms. BIAN Shu; the non-executive Directors are Mr. BIAN Jianguang, Mr. CHEN Jiancheng and Mr. ZHU Xiao Bo; and the independent non-executive Directors are Mr. ZHANG Bing, Mr. FUNG Kui Kei and Mr. LI Jiannan.