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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 2021, the Group is expected to record a decrease in the net profit for the six months ended 30 June 2021 of over 30% as compared to the net profit of approximately RMB2.44 million for the six months ended 30 June 2020.

The Board considered that the aforesaid decrease in the net profit was mainly attributable to (i) the large-scale projects commenced in the first half of 2021, which will take twelve to fifteen months to complete, and the relevant revenue will only be recognised in the second half of 2021 or first half of 2022 in accordance with the Group's revenue recognition method; and (ii) the significant increase in the price of steel, one of the major raw materials of the products produced by the Company.

The Company is still in the process of finalising the financial results of the Group for the six months ended 30 June 2021. 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 2021 will be set out in the interim results announcement of the Company to be published by the end of August 2021.

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 29 July 2021

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.