

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## CHINA ENVIRONMENTAL RESOURCES GROUP LIMITED

### 中國環境資源集團有限公司

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

**(Stock Code: 1130)**

### PROFIT WARNING

This announcement is made by China Environmental Resources Group Limited (the “**Company**”) and 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 “**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the latest information currently available to the Board and the latest consolidated management accounts of the Group, it is expected that the Group’s unaudited loss for the six months ended 31 December 2022 will decrease by not less than 60% compared to the loss for the corresponding period in 2021 of approximately HK\$6.4 million.

The Board considers that such decrease was attributable to the combined effects of the followings during the six months ended 31 December 2022: (i) decrease in gross profit to approximately HK\$7.0 million mainly due to the increase in cost of products; (ii) increase in other income to approximately HK\$11.2 million mainly due to written-off non-recourse liabilities and gain on disposal of property, plant and equipment; (iii) decrease in fair value loss on investment properties to approximately HK\$0.8 million; (iv) decrease in a gain arising from changes in fair value less costs to sell of biological assets to approximately HK\$1.9 million; (v) increase in finance costs to approximately HK\$1.9 million; and (vi) decrease in income tax expenses to HK\$0.2 million.

As the Company is still in the process of finalizing the interim results for the six months ended 31 December 2022, the information contained in this announcement is only based on preliminary assessment by the Board in accordance with the latest information currently available and the latest consolidated management accounts of the Group, which are subject to finalization. Such information has not been reviewed or audited by the auditors of the Company and may be different from the interim results of the Group for the six months ended 31 December 2022.

Shareholders and potential investors are advised to read carefully the announcement for the interim results of the Group for the six months ended 31 December 2022 which is expected to be published on 28 February 2023.

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

By order of the Board  
**China Environmental Resources Group Limited**  
**Yeung Chi Hang**  
*Chairman and Chief Executive Officer*

Hong Kong, 24 February 2023

*As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Yeung Chi Hang, Mr. Leung Kwong Choi, Mr. Wong Po Keung, Mr. Chung Siu Wah and Mr. Chik To Pan; and three independent non-executive Directors, namely Mr. Wong Kwai Sang, Mr. Ong Chi King and Mr. Heung Chee Hang, Eric.*