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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)**

**POSITIVE PROFIT ALERT**

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 year ended 31 December 2022, the Group is expected to record an increase in the net profit for the year ended 31 December 2022 to approximately RMB50 million as compared to the net profit of approximately RMB20.6 million for the year ended 31 December 2021.

The Board considered that the aforesaid increase in the net profit was mainly attributable to the following reasons: (i) the one-off gain on disposal of land in the amount of approximately RMB116 million; and (ii) the increase in the net profit is partially offset by the decrease in gross profit due to the decrease in the scale of business, with revenue declining from approximately RMB763 million for the year ended 31 December 2021 to approximately RMB470 million for the year ended 31 December 2022.

The Company is still in the process of finalising the financial results of the Group for the year ended 31 December 2022. 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 year ended 31 December 2022 will be set out in the annual results announcement of the Company to be published by the end of March 2023.

**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, 16 March 2023

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