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**Taizhou Water Group Co., Ltd.\***  
**台州市水務集團股份有限公司**

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

**(Stock Code: 1542)**

**PROFIT WARNING**

This announcement is made by Taizhou Water Group Co., Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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 (Cap. 571 of the Laws of Hong Kong).

The board of directors (the “**Directors**”) of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that, based on the Company’s preliminary assessment of the Group’s unaudited consolidated management accounts for the six months ended 30 June 2023 (the “**Period**”) and the latest information currently available to the Board, the Group is expected to record an estimated net loss attributable to owners of the parent in the range of approximately RMB30 million to RMB70 million for the Period as compared to a net profit attributable to owners of the parent of approximately RMB31.6 million for the corresponding period in 2022.

The expected net loss for the Period was mainly attributable to the recognition of the depreciation and amortization expenses and the finance costs, among others, related to the gradual recognition of the two construction-in-progress projects, Taizhou Water Supply System (Phase III) and Taizhou Water Supply System (Phase IV), as fixed assets.

As at the date of this announcement, the Company is still in the process of finalising the interim results of the Group for the Period. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available and the unaudited consolidated management accounts of the Group, which have not been audited by the auditor of the Company or reviewed by the audit committee of the Company. The above information may be subject to adjustments, if any. Shareholders and potential investors should read the interim results for the Period of the Group carefully, which are expected to be announced by the end of August 2023.

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

By order of the Board  
**Taizhou Water Group Co., Ltd.\***  
台州市水務集團股份有限公司  
**Yang Jun**  
*Chairman and Executive Director*

Taizhou, the PRC  
2 August 2023

*As at the date of this announcement, the executive Directors are Mr. Yang Jun and Mr. Pan Gang; the non-executive Directors are Mr. Lin Genman, Ms. Fang Ya, Mr. Yu Yangbin, Mr. Ye Xiaofeng, Mr. Yang Yide, Mr. Guo Dingwen, Mr. Lin Yang and Mr. Shao Aiping; and the independent non-executive Directors are Mr. Huang Chun, Ms. Hou Meiwen, Mr. Li Wai Chung, Ms. Lin Suyan and Mr. Wang Yongyue.*

\* *For identification purpose only*