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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 board of directors of the Company (the “**Board**”) wishes to update the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on 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 consolidated loss for the six months ended 31 December 2024 will decrease by not less than 60% compared to the loss for the corresponding period in 2023 of approximately HK\$45.3 million.

The Board considers that such decrease was attributable to the combined effects of the followings during the six month ended 31 December 2024:(i) decrease in revenue to approximately HK\$29.8 million due to the decrease in demand of our products and led to a decrease in gross profit to approximately HK\$6.4 million; (ii) decrease in administrative and operating expenses to approximately HK\$18.2 million; (iii) a fair value gain on investment properties to approximately HK\$1.3 million; (iv) decrease in loss arising from changes in fair value less costs to sell of biological assets to approximately HK\$2.8 million; (v) decrease in finance costs to approximately HK\$3.0 million; and (vi) decrease in income tax credit to approximately HK\$1.1 million.

As the Company is still in the process of finalizing the unaudited interim results for the six months ended 31 December 2024, 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 nor reviewed by the members of the audit committee of the Company and may be different from the unaudited consolidated results of the Group for the six months ended 31 December 2024.

Shareholders and potential investors are advised to read carefully the announcement for the unaudited interim results of the Group for the six months ended 31 December 2024 which is expected to be published on 28 February 2025.

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, 20 February 2025

As at the date of this announcement, the Board comprises six executive Directors, namely, Mr. Yeung Chi Hang, Mr. Leung Kwong Choi, Mr. Wong Po Keung, Mr. Chung Siu Wah, Mr. Chik To Pan and Mr. Liu Yafei; and three independent non-executive Directors, namely Mr. Heung Chee Hang, Eric, Mr. Lee Chi Ho and Ms. Lai Pik Chi, Peggy.