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Datang Environment Industry Group Co., Ltd.* **大唐**

ANNOUNCEMENT POSITIVE PROFIT ALERT FOR 2023 ANNUAL RESULTS

This announcement is made by Datang Environment Industry Group Co., Ltd.* (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under 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 of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment by the Board of the latest available unaudited consolidated management accounts of the Group for the year ended 31 December 2023 and the latest information available to the Board, the Group is expected to record a profit after tax ranging from approximately RMB416 million to approximately RMB564 million as compared to the profit after tax of approximately RMB238 million for the year ended 31 December 2022.

The estimated increase in profit after tax of the Group for the year ended 31 December 2023 is primarily attributable to the following reasons:

- (i) Increased profits from the Group’s environmental protection facility concession operations: The implementation of various measures by the Group to improve quality and efficiency has led to a decreased consumption of major raw materials such as desulphurisation agents and denitrification reductants, combined with a reduction in the unit purchase price of these materials, resulting in lower costs for the environmental protection facility concession operations.

- (ii) Reduced losses in the Group's engineering businesses: This is mainly due to an increase in the amount of new contracts signed by the Group for environmental protection facility engineering, waterworks engineering and renewable energy engineering projects, coupled with higher gross profit margins. As a result, there has been an increase in revenue and gross profit for the Group's engineering businesses.

The Company is still in the process of finalising the Group's consolidated annual results for the year ended 31 December 2023. The information contained in this announcement is only a preliminary assessment by the Board based on the latest unaudited consolidated management accounts of the Group for the year ended 31 December 2023, which have not been audited or reviewed by the auditor or the audit committee of the Company and may be subject to adjustments. The detailed audited financial information of the Group shall be disclosed in the annual results announcement of the Company for the year ended 31 December 2023 to be released in due course in accordance with the Listing Rules.

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

By order of the Board
Datang Environment Industry Group Co., Ltd.*
Zhu Liming
Chairman

Beijing, the PRC, 12 January 2024

As at the date of this announcement, the executive Director is Mr. Zhu Liming; the non-executive Directors are Mr. Wang Junqi, Mr. Shen Zhen, Mr. Wu Daqing, Mr. Chen Kan and Mr. Song Yunpeng; and the independent non-executive Directors are Mr. Ye Xiang, Mr. Mao Zhuanjian and Mr. Gao Jiexiang.

This announcement is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.dteg.com.cn).

* *For identification purposes only*