

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.



Datang Environment Industry Group Co., Ltd.*

大唐環境產業集團股份有限公司

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

(Stock Code: 1272)

ANNOUNCEMENT

NEGATIVE PROFIT ALERT FOR 2020 INTERIM RESULTS

This announcement is made by Datang Environment Industry Group Co., Ltd. (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 under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

I. ESTIMATED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

Based on the unaudited management accounts for the six months ended 30 June 2020 of the Company, the profit before tax of the Group for the six months ended 30 June 2020 is estimated to record a decrease of approximately 55% to 75%, as compared with the same period in 2019, while the actual situation is subject to the confirmation upon the review of the financial results of the Group for the six months ended 30 June 2020 by the external auditor of the Company.

II. REASONS FOR CHANGES IN RESULTS

On preliminary estimation made by the Company based on the unaudited management accounts for the six months ended 30 June 2020, the decrease in profit before tax of the Company for the six months ended 30 June 2020 as compared with the same period in 2019 is mainly attributable to:

1. China Datang Technologies and Engineering Co., Ltd. (“**Datang Technologies and Engineering**”), a subsidiary of the Company, received an arbitral award (the “**Award**”) issued by the Beijing Arbitration Commission on 11 June 2020. Pursuant to the Award, Datang Technologies

and Engineering shall compensate Jiangsu Jiuding Tiandi Wind Power Co., Ltd. for economic losses and expenses in an aggregate amount of RMB98,864,609.50. It was expected that the results of the arbitration will correspondingly reduce the profit before tax of the Group for the current period. For details, please refer to the inside information announcement issued by the Company on 18 June 2020.

2. Since the beginning of 2020, as affected by the outbreak of COVID-19, the growth of national power demand has slowed down, resulting in a decline in the income from the concession business for environmental protection facilities of the Company; at the same time, part of the environmental protection facility construction projects have been postponed or cancelled due to the epidemic, resulting in a corresponding decline in revenue of the construction business of the Company.

III. RISK WARNING

The Company is still in the process of finalising its interim results for the six months ended 30 June 2020. The information contained in this announcement is only based on the information available to the board (the “**Board**”) of directors (the “**Directors**”) of the Company for the time being, which has yet to be reviewed by the auditor of the Company. Specific financial information will be disclosed in detail in the 2020 interim results of the Group to be published later. Potential investors and shareholders 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.*
Jin Yaohua
Chairman

Beijing, the PRC, 14 August 2020

As of the date of this announcement, the non-executive Directors are Mr. Jin Yaohua, Mr. Hou Guoli, Mr. Liu Quancheng, Mr. Liu Ruixiang and Mr. Li Zhenyu; the executive Director is Mr. Wang Yanwen; and the independent non-executive Directors are Mr. Ye Xiang, Mr. Mao Zhuanjian and Mr. Gao Jiayang.

* *For identification purposes only*