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中國水業集團有限公司*
CHINA WATER INDUSTRY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1129)

PROFIT WARNING AND INSIDE INFORMATION

This announcement is made by China Water Industry Group Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) in 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) of Part XIVA of the Securities and Future Ordinance (Chapter 571, Laws of Hong Kong) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2025 (“**FY2025**”) and the information currently available to the Board, it is expected that the Group will record a net loss attributable to owners of the Company of not more than HK\$300 million for FY2025, as compared with a net loss attributable to owners of the Company of approximately HK\$322.28 million for the year ended 31 December 2024 (“**FY2024**”).

The Board considers that the anticipated reduction in net loss for FY2025, as compared with FY2024, was primarily attributable to the net impact of the following factors: (a) a decrease in administrative and selling expenses resulting from the implementation of enhanced cost control measures across operating and corporate expenditures; (b) the decrease in the provision of expected credit loss on trade receivable; (c) a decrease in income tax expenses due to lower taxable profits generated during FY2025; (d) the recognition of other operating income in FY2025 as compared to an other operating expenses recorded in the prior year, which was mainly related to (i) equipment write-offs; and (ii) the recognition of construction cost and default interest payment arising from the litigation in FY2024; and (e) a net reduction in impairment losses on non-financial assets-including right-of-use assets, intangible assets, and goodwill since renewable energy projects discontinued or ceased under construction and had been substantially impaired in the prior year. The effects of the aforesaid factors were partially offset by (i) the decline in revenue and gross profit derived from the renewable energy business, mainly resulting from the decrease in number of landfill site in operation resulting in substantial reduction in the volume of on-grid electricity due to less available new garbage being delivered to the landfill sites for

* *For identification purpose only*

generation of electricity as local incineration projects being in operation; and (ii) the absence of the net gain from the disposal of Yichun Water Industry Group Company Limited which was recognized in FY2024; and (iii) impairment loss on deposits paid for acquisition of additional interests in a subsidiary.

The Company is still in the process of finalizing its annual results for FY2025 (including but not limited to relevant provisions and/or write-downs on assets). The information contained in this announcement is only a preliminary assessment by the management of the Company with reference to the unaudited consolidated management accounts of the Group for the FY2025 which has neither been reviewed by the audit committee nor auditors of the Company and is subject to possible adjustments upon further review. Finalized annual results of the Group for FY2025 will be disclosed in the annual results announcement of the Group, which is expected to be published on 30 March 2026. Shareholders and potential investors are advised to read such results announcement carefully.

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

By order of the Board
China Water Industry Group Limited
Mr. Zhu Yongjun
Chairman and Executive Director

Hong Kong, 19 March 2026

As at the date of this announcement, the Board comprises Mr. Zhu Yongjun (Chairman) and Ms. Chu Yin Yin, Georgiana, all being executive Directors, Mr. Wong Siu Keung, Joe, Mr. Lam Cheung Shing, Richard and Mr. Mak Ka Wing, Patrick all being independent non-executive Directors.