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## 浙江天潔環境科技股份有限公司

### **Zhejiang Tengy Environmental Technology Co., Ltd**

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

**(Stock Code: 1527)**

### **POSITIVE PROFIT ALERT**

This announcement is made by Zhejiang Tengy Environmental Technology Co., Ltd. (the “**Company**”, 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, Laws of Hong Kong).

Based on the preliminary review of the Group’s unaudited management accounts for the six-month period ended 30 June 2016 (the “**Relevant Period**”) by the board (the “**Board**”) of directors (the “**Directors**”) of the Company, the Board wishes to inform the shareholders of the Company and potential investors that as compared with the Group’s unaudited profit attributable to equity holders of the Company of approximately RMB22.7 million for the six-month period ended 30 June 2015, the Group is expected to record a significant increase in profit attributable to equity holders of the Company for the Relevant Period. The aforesaid increase was mainly attributed to, among other things, (1) further enhancement of the bargaining power of the Company over its projects due to the significant increase in market recognition and competitiveness after the listing of the Company on the Main Board of the Stock Exchange; (2) the Company’s capability of undertaking projects with higher gross profit owing to its unremitting efforts in technological research and development; and (3) the maintenance of overall steel price in the PRC market at low levels which facilitates the increase in the profitability of the Company.

In addition, the Group’s audited profit attributable to equity holders of the Company for 2015 was approximately RMB96.5 million whereas the Group’s profit attributable to equity holders of the Company throughout the year ended 31 December 2016 (the “**Relevant Year**”) will still be subject to its business operation and cost management as well as the overall economic environment during the remaining period of the Relevant Year.

This announcement is a preliminary assessment made by the management of the Company based on the internal unaudited management accounts of the Group for the Relevant Period, which have not been audited or reviewed by the Company’s independent auditor, nor have been confirmed by the audit committee of the Board (the “**Audit Committee**”). The Company is in the process of finalising the results for the Relevant Period for the review by the Audit Committee. The results announcement for the Relevant Period will be released not later than 25 August 2016.

**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  
**Zhejiang Tengy Environmental Technology Co., Ltd**  
**BIAN Yu**  
*Chairman*

Zhuji City, Zhejiang Province, the PRC  
27 July 2016

*As at the date of this announcement, the executive Directors are Mr. BIAN Yu, Ms. BIAN Shu and Mr. BIAN Weican; the non-executive Directors are Mr. BIAN Jianguang, Mr. ZHANG Yuanyuan and Ms. ZHU Hong; and the independent non-executive Directors are Ms. TAM Hon Shan Celia, Mr. ZHANG Bing and Mr. JIANG Yan.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*