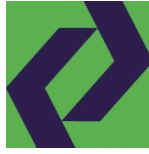


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**China Dredging Environment Protection Holdings Limited**

**中國疏浚環保控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 871)**

**PROFIT WARNING**

This announcement is made by China Dredging Environment Protection Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to rule 13.09(2) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the latest unaudited consolidated financial statements of the Group, the Group expects to record a net loss of approximately RMB333.7 million for the year ended 31 December 2022 (the “**Year**”) as compared to a net profit of approximately RMB41.3 million for the year ended 31 December 2021.

Based on the information currently available to the Company, the Board considers that the expected turnaround to loss for the Year was mainly attributable to (i) the recognition of a one-off gain arising out of a waive of bond payable in the sum of approximately RMB208.0 million after the redemption of bonds for the year ended 31 December 2021, whilst such item was absent for the Year. For details of the bond redemption, please refer to the announcement of the Company dated 30 March 2021; (ii) the fair value loss on investment properties of approximately RMB151.5 million recorded during the Year (FY2021: approximately RMB103.5 million); and (iii) the impairment losses recognised approximately RMB166.4 million under expected credit loss model, net of reversal.

The Company is still in the process of finalising its annual results of the Group for the Year. The information contained in this announcement is based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group and the information currently available to the Board, which have not been audited by the auditors of the Company or approved by the audit committee of the Company and are subject to possible adjustments. Further details of the Group’s annual results for the Year will be announced on 31 March 2023.

**The Company's shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**China Dredging Environment Protection Holdings Limited**  
**Zhou Shuhua**  
*Chairlady and Executive Director*

Hong Kong, 27 March 2023

*As at the date of this announcement, the Board comprises Ms. Zhou Shuhua as Chairlady and Executive Director; Mr. Wu Xuze as Executive Director and Chief Executive Officer; and Mr. Huan Xuedong, Mr. Chan Ming Sun Jonathan and Mr. Liang Zequan as Independent Non-executive Directors.*