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## **New Universe Environmental Group Limited**

**新宇環保集團有限公司**

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

**(Stock Code: 436)**

### **POSITIVE PROFIT ALERT**

This announcement is made by New Universe Environmental Group Limited (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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that, based on information currently available to the Board, the Group is expected to record a significant increase in net profit (before the deduction of profit attributable to non-controlling interests) for the six months ended 30 June 2020 by approximately 290% as compared to the net profit in the amount of approximately HK\$14,399,000 for the six months ended 30 June 2019.

The expected increase in net profit for the six months ended 30 June 2020 is mainly attributable to:

- (i) an increase in total revenue of the Group of approximately 40% as compared to the amount of approximately HK\$258,041,000 for the corresponding period in 2019. The increase was primarily due to the increase by approximately 45% in total quantity of hazardous waste processed by the two plants located in Yancheng, Jiangsu Province, China, during the current period as compared to the corresponding period in 2019, and the resumption of the normal operation of Suqian New Universe Environmental Solid Waste Disposal Limited\* (宿遷宇新固體廢物處置有限公司) after the renewal of its hazardous waste operation permission license in August 2019;
- (ii) a substantial decrease in exceptional loss of the Group with an impairment loss on assets of an obsolete plant held for disposal to be recognised in the current period. One-off costs recognised in 2019 have not been recurred in 2020 resulting in the substantial decrease in exceptional loss; and
- (iii) a decrease in finance costs of approximately 20% owing to decrease in borrowings in the current period as compared to that for the corresponding period in 2019.

The Group 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 based on the preliminary assessment of the unaudited consolidated management accounts of the Group which has not yet been confirmed or reviewed by the independent auditors and may be subject to possible adjustments.

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

By Order of the Board  
New Universe Environmental Group Limited  
**XI Yu**  
*Chairman and CEO*

Hong Kong, 28 July 2020

*As at the date of this announcement, the Board comprises six executive directors: Mr. XI Yu (Chairman and Chief Executive Officer), Mr. SONG Yu Qing, Ms. CHEUNG Siu Ling, Ms. ZHANG Shuo, Ms. LIU Yu Jie and Mr. HON Wa Fai; and three independent non-executive directors: Dr. CHAN Yan Cheong, Mr. YUEN Kim Hung, Michael and Mr. HO Yau Hong, Alfred.*

\* For identification purpose only.