

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.



泛亞環保集團有限公司
Pan Asia Environmental Protection Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 556)

PROFIT WARNING

This announcement is made by Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that the Group might still record a consolidated net loss for the financial year ended 31 December 2013.

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

This announcement is made by Pan Asia Environmental Protection Group Limited (the “Company”, and 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 under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”).

After a preliminary review of the consolidated management accounts of the Group, the board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that the Group might still record a consolidated net loss for the financial year ended 31 December 2013. However, the profit and loss condition of the Group has improved as compared to the audited consolidated net loss for the corresponding period for the financial year ended 31 December 2012 and is expected to continue to improve.

The Board considers that the consolidated net loss for the financial year ended 31 December 2013 was mainly due to the reason that the revenue generated from the new wood wool cement board (“WWCB”) business was still relatively low when compared to the expenses incurred for developing the business during the year as the business was still at its infant stage.

On the bright side, the Board is of the view that although the Group might still record a consolidated net loss for the financial year ended 31 December 2013, the consolidated net loss for the financial year ended 31 December 2013 might be less as compared to the audited consolidated net loss for the corresponding period for the financial year ended 31 December 2012, and it was mainly due to the following reasons:–

- (i) the revenue generated from the Group's Environmental Protection Related businesses might have improved as compared to such revenue for the corresponding period for the financial year ended 31 December 2012; and
- (ii) the WWCB business might have generated more revenue for the Group for the financial year ended 31 December 2013. The Board believes that the revenue generated from the WWCB business will continue to grow as the market has begun to realize the features and benefits of WWCB and WWCB will become more widely accepted and utilised in the market.

This profit warning announcement is only based on the preliminary review by the Company's management on the unaudited consolidated management accounts of the Group.

The Company is still in the process of finalizing the annual results of the Group for the financial year ended 31 December 2013. The overall financial results of the Group for the financial year ended 31 December 2013 will only be ascertained when all the relevant results and treatments are finalized. The annual results announcement of the Group for the financial year ended 31 December 2013 is expected to be announced before the end of March 2014.

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

By Order of the Board
Pan Asia Environmental Protection Group Limited
Wan San Fai, Vincent
Company Secretary

Hong Kong, 20 March 2014

As at the date of this announcement, the directors of the Company are:

Executive Directors:
Mr. JIANG Quanlong
Mr. JIANG Lei
Mr. FAN Yajun
Mr. GAN Yi

Independent Non-Executive Directors:
Mr. LAI Wing Lee
Mr. LEUNG Shu Sun, Sunny
Professor WANG Guozhen