

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 the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that the Group might record a consolidated net loss for the six months ended 30 June 2012 as compared to the consolidated net profit for the corresponding period in 2011.

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 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

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 record a consolidated net loss for the six months ended 30 June 2012 as compared to the consolidated net profit for the corresponding period in 2011.

The Board considers that the consolidated net loss for the six months ended 30 June 2012 was mainly due to the reasons that:

- (i) there was a decrease in the revenue of the Group for the six months ended 30 June 2012 due to keen competition in the industry; and
- (ii) there was a decrease in the gross profit margin of the Group for the six months ended 30 June 2012 due to keen competition in the industry and increase in cost.

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

The Company is in the process of finalising the interim results of the Group for the six-month period ended 30 June 2012. The overall financial results of the Group for the six-month period ended 30 June 2012 will only be ascertained when all the relevant results and treatments are finalised. The interim results announcement of the Group for the six-month period ended 30 June 2012 is expected to be announced before the end of August 2012.

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, 6 August 2012

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