

SUMMARY

This summary aims to give you an overview of the information contained in this Document. As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be in conjunction with, the full text of this Document. You should read the entire Document before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in the section headed “Risk Factors” in this Document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

We are a company that provides specialized solutions in integrated waste treatment and resource utilization, including the investment, management, and operation of green energy and environmental services projects. According to F&S, our Changsha Environmental Protection Industrial Park, in which our main operations are situated, is among the largest integrated environmental parks in the industry in China, in terms of project scale. Such project scale is measured primarily by designed waste treatment capacity, which is the most common industry metric for benchmarking integrated environmental parks and individual treatment projects. As of the Latest Practicable Date, it housed a multitude of projects, including those in relation to clean waste-to-energy incineration and the integrated treatment of various types of waste. During the Track Record Period, our core business comprised (i) clean waste-to-energy incineration; (ii) the integrated treatment of various types of waste (including sludge, sewage and leachate, fly ash, and others); (iii) the interim treatment, compression, and transfer of household waste; and (iv) the collection, harmless treatment, and resource utilization of food waste. In particular,

- ***Clean⁽¹⁾ waste-to-energy incineration:*** We provide clean waste-to-energy incineration and green energy via our Changsha Waste-to-Energy Incineration Project (phases I and II), Liuyang Waste-to-Energy Incineration Project, Pingjiang Waste-to-Energy Incineration Project, and Bishkek Project (phase I). For the years ended December 31, 2023, 2024, and 2025, and the three months ended March 31, 2026, such projects had a combined household waste treatment volume 3.2 million, 3.2 million, 3.8 million, and 1.0 million tons, respectively, and had generated 1.5 billion, 1.5 billion, 1.8 billion, and 0.5 billion kWh, respectively, of on-grid electricity, at an efficiency of 452 kWh, 460 kWh, 486 kWh, and 509 kWh, respectively of on-grid electricity per ton of household waste treated. As of the Latest Practicable Date, our clean waste-to-energy incineration projects had a combined daily treatment capacity of 10,600 tons of household waste. Moreover, according to F&S, in terms of the average on-grid electricity generated per ton of waste, we ranked first among all companies that provide waste-to-energy incineration in China in 2025.
- ***The integrated treatment of various types of waste:*** In addition to our Changsha Waste-to-energy Incineration Project, our Changsha Environmental Protection Industrial Park also housed various waste treatment projects in relation to sludge, leachate, fly ash, and others. As of the Latest Practicable Date, projects within our park’s campus had a combined daily treatment capacity of 2,700 tons of leachate, 1,000 tons of sludge, and 215 tons of fly ash. Our Liuyang fly ash treatment project commenced operation in May 2026 and, as of the Latest Practicable Date, had a daily treatment capacity of 42 tons of solidified material resulting from the chelation and stabilization of fly ash. In addition, our Projects in Pingjiang and Changsha Transfer Project also housed sewage treatment projects.
- ***The interim⁽²⁾ treatment, compression, and transfer of household waste:*** Through the Acquisition of Renhe in November 2024, we have further expanded our capabilities, thus covering most of the overall waste management value chain. One of the projects operated by Renhe that had then become a part of our Group is the Changsha Transfer Project, which had a total daily treatment capacity of 10,000 tons of household waste as of the Latest Practicable Date.

Notes:

- (1) “clean” refers to the burning of waste to generate electricity with minimal environmental impact. See “Glossary of Technical Terms”.
- (2) “interim” refers to the intermediate handling of household waste at transfer facilities before delivery to waste-to-energy incineration plants for final disposal.

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- **The collection, harmless treatment and resource utilization of food waste:** The other project that is operated by Renhe that had then become a part of our Group since the Acquisition of Renhe is the Changsha Food Waste Project. As of the Latest Practicable Date, this project had a daily treatment capacity of 1,200 tons of food waste. As a by-product of the waste utilization process, our Changsha Food Waste Project can reach an annual output of up to 30,000 tons of industrial-grade mixed oil, with an oil recovery rate exceeding 7%.

The following table sets forth a summary of our financial performance of our business for the periods indicated:

	For the year ended December 31,						For the three months ended March 31,			
	2023		2024		2025		2025		2026	
	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000) (unaudited)	(%)	(RMB'000)	(%)
Revenue from the sales of electricity	698,230	38.0	685,285	28.5	837,835	30.7	204,266	29.3	247,461	33.6
Revenue from waste treatment services										
– Waste incineration	355,905	19.4	353,982	14.7	347,050	12.7	94,418	13.6	104,276	14.2
– Sludge	212,748	11.6	203,155	8.4	219,062	8.0	53,157	7.6	52,859	7.2
– Sewage and leachate	88,197	4.8	107,655	4.5	83,881	3.1	17,709	2.5	20,336	2.8
– Food waste ⁽¹⁾	–	–	13,136	0.5	115,614	4.2	33,460	4.8	29,744	4.0
– Fly ash	104,510	5.7	95,384	4.0	68,353	2.5	23,758	3.4	19,988	2.7
– Landfill	34,696	1.9	38,440	1.6	27,384	1.0	7,045	1.0	6,978	0.9
– Others ⁽²⁾	–	–	–	–	1,287	–	319	0.1	413	0.1
Sub-total	796,056	43.4	811,752	33.7	862,631	31.6	229,866	33.0	234,594	31.9
Revenue from household waste interim treatment and transfer services ⁽¹⁾	–	–	54,047	2.2	684,966	25.1	154,393	22.1	171,290	23.3
Revenue from food waste collection ⁽¹⁾	–	–	4,568	0.2	65,404	2.4	16,201	2.3	15,741	2.1
Revenue from sales of industrial-grade mixed oil ⁽¹⁾	–	–	17,280	0.7	198,730	7.3	44,421	6.4	42,281	5.7
Revenue from construction services ⁽³⁾	341,563	18.6	836,939	34.7	76,283	2.8	47,000	6.7	23,624	3.2
Others ⁽⁴⁾	765	–	984	–	4,859	0.2	1,213	0.2	1,362	0.2
Total	1,836,614	100.0	2,410,855	100.0	2,730,708	100.0	697,360	100.0	736,353	100.0

Notes:

- These revenue from these service lines became a part of our Group after the Acquisition of Renhe which completed in November 2024. For such reasons, the financial information presented in this table include those for the one month ended December 31, 2024, the year ended December 31, 2025, and the three months ended March 31, 2025 and 2026. For the financial information relating to these projects prior to the date of the Acquisition of Renhe since the beginning of the Track Record Period, please see the section headed “Financial Information — Financial information of Renhe” in this Document.
- Primarily included revenue from bottom ash treatment.
- Revenue from construction services in these years/periods was mainly in relation to our clean waste-to-energy incineration projects and flying ash treatment projects in Liuyang and Pingjiang.
- Primarily included rental income.

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The following table sets forth a breakdown of our revenue by projects for the periods indicated:

	For the year ended December 31,						For the three months ended March 31,			
	2023		2024		2025		2025		2026	
	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000) (unaudited)	(%)	(RMB'000)	(%)
Projects from our Changsha Environmental Protection Industrial Park										
– Changsha Waste-to-Energy Incineration Project (phase I)	640,304	34.9	607,459	25.2	608,654	22.3	155,744	22.3	167,174	22.7
– Changsha Waste-to-Energy Incineration Project (phase II)	544,634	29.7	551,887	22.9	538,452	19.7	137,241	19.7	139,195	18.9
– Sludge, leachate, fly ash, and others	292,547	15.8	303,581	12.6	261,027	9.6	66,945	9.6	64,607	8.8
Liuyang Waste-to-Energy Incineration Project	–	–	–	–	92,195	3.4	22,606	3.2	27,553	3.7
Projects in Pingjiang	17,565	1.0	20,294	0.8	57,835	2.1	15,079	2.2	15,889	2.2
Changsha Transfer Project ⁽¹⁾	–	–	54,959	2.3	699,162	25.6	156,736	22.5	175,108	23.8
Changsha Food Waste Project ⁽¹⁾	–	–	35,736	1.5	383,928	14.1	96,009	13.8	88,599	12.0
Bishkek Project (phase I) ⁽²⁾	–	–	–	–	13,172	0.5	–	–	34,604	4.7
Total operating revenue from our projects	1,495,051	81.4	1,573,916	65.3	2,654,425	97.2	650,360	93.3	712,729	96.8
Revenue from construction services ⁽³⁾	341,563	18.6	836,939	34.7	76,283	2.8	47,000	6.7	23,624	3.2
Total revenue	1,836,614	100.0	2,410,855	100.0	2,730,708	100.0	697,360	100.0	736,353	100.0

Notes:

- These projects had only become a part of our Group after the Acquisition of Renhe which completed in November 2024. For such reasons, the financial information presented in this table will include those for the one month ended December 31, 2024, the year ended December 31, 2025, and the three months ended March 31, 2025 and 2026. For the financial information relating to these projects prior to the date of the Acquisition of Renhe since the beginning of the Track Record Period, please see the sub-section headed “— Financial information of Renhe” in this section.
- This project was signed in 2024 with the Bishkek City Government and commenced operation in December 2025.
- Revenue from construction services in these years/periods was mainly in relation to our clean waste-to-energy incineration projects and flying ash treatment project in Liuyang and Pingjiang.

As part of our strategic expansion efforts abroad, we have been establishing a presence in Central Asia. In 2024, we have signed a service concession agreement with the local authorities in Kyrgyzstan to develop a green energy and environmental services project in the capital city of Bishkek. Phase I of the Bishkek project had commenced operation in December 2025. As of the Latest Practicable Date, we have signed an investment agreement, followed with a service concession agreement, to develop a green energy and environmental services project in Osh City, Kyrgyzstan, and an investment agreement and service concession agreement for two similar projects in the Issyk-Kul Prefecture of Kyrgyzstan. We have also expanded of our scope in Central Asia by entering into a memorandum of understanding in July 2025, an investment agreement in late August 2025, and a waste supply agreement and a power purchase agreement in April 2026, to develop a similar project in Almaty, Kazakhstan. In addition, in April 2026, we received a notice of award for the Changsha Hexi Waste-to-Energy Incineration Power Plant Project (with a planned treatment capacity of 4,000 tons per day). Looking ahead, we remain committed to identifying and pursuing opportunities in other high-potential regions, where we can deliver our integrated waste treatment and resource utilization solutions.

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The following table sets forth key operational and financial data of our projects that are in operation and in our pipeline, such parameters include, among others, the concession term, the designed annual treatment capacity, actual treatment volume, and annualized load rate, during the periods, and as of the dates, indicated:

Project name	Location	Project status as of the Latest Practicable Date	Mode of operations	Date of commencement	Concession term	Designed annual treatment capacity ('000 tons)	For the years ended December 31,			For the three months ended March 31,				
							2023		2024		2025		2026	
							Actual treatment volume ⁽¹⁾ ('000 tons)	Annualized load rate (%)	Actual treatment volume ⁽¹⁾ ('000 tons)	Annualized load rate (%)	Actual treatment volume ⁽¹⁾ ('000 tons)	Annualized load rate (%)	Actual treatment volume ⁽¹⁾ ('000 tons)	Annualized load rate (%)
Projects at our Changsha Environmental Protection Industrial Park PRC														
Changsha Waste-to-Energy Incineration Project (phase I)		In operation	BOT	January 2018	2014 – 2042	1,800	1,936	107.6	1,819	101.1	1,902	105.7	474	105.3
Changsha Waste-to-Energy Incineration Project (phase II)		In operation	BOT	June 2021	2019 – 2048	1,022	1,299	127.1	1,365	133.6	1,278	125.0	311	121.7
-Waste-to-energy incineration functions		In operation	BOT	July 2021	2019 – 2048	183	201	109.8	183	100	177	96.7	49	107.1
-Sludge treatment functions		In operation	BOT	June 2006	2006 ⁽⁴⁾ – 2031	183	196	107	188	102.7	188	102.7	47	102.7
Sludge treatment project		In operation	BOT	June 2006	2006 ⁽⁴⁾ – 2031	986	590	59.8	723	73.3	521	52.8	126	51.1
Leachate treatment project		In operation	BOT	January 2021	2019 – 2049	79	78	98.7	68	86.1	67	84.8	17	86.1
Fly ash treatment project		In operation	TOT	June 2006	2006 ⁽⁴⁾ – 2031	1,460	4	0.0	0	0.0	0	0.0	0	0.0
Changsha Landfill Project ⁽²⁾		In operation												
Projects in Liuyang PRC														
Liuyang Waste-to-Energy Incineration Project		In operation	BOT	January 2025	2023 – 2053	438	N/A	N/A	N/A	N/A	365	83.3	99	90.4
Liuyang fly ash treatment project		In operation	BOT	May 2026	2025 – 2053	15	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Projects in Pingjiang PRC														
Pingjiang Waste-to-Energy Incineration Project		In operation	BOT	December 2024	2023 – 2053	219	N/A	N/A	19	104.1	199	90.9	56	102.3
Pingjiang Landfill Project ⁽²⁾		In operation	TOT	June 2012	2012 – 2037	80	112	140.0	111	138.8	0	0.0	0	0.0
Pingjiang fly ash treatment project		Planning	BOT	N/A	2026 – 2053	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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Project name	Location	Project status as of the Latest Practicable Date	Mode of operations	Date of commencement	Concession term	Designed annual treatment capacity ('000 tons)	For the years ended December 31,				For the three months ended March 31,	
							2023	2024		2025	2026	
							Actual treatment volume ^(a) ('000 tons)	Annualized load rate (%)	Actual treatment volume ^(b) ('000 tons)	Annualized load rate (%)	Actual treatment volume ^(b) ('000 tons)	Annualized load rate (%)
– Household waste interim treatment functions		In operation	BOOT	April 2005	2005 ⁽⁴⁾ – 2030	3,650	N/A	N/A	265	87.1	3,251	89.1
– Sewage treatment functions		In operation	BOT	December 2014	2014 – 2030	438	N/A	N/A	11	30.1	126	28.8
Changsha Food Waste Project⁽³⁾	PRC	In operation	BOO	June 2012	2012 – 2037	438	N/A	N/A	39	106.8	414	94.5
Wangcheng District Waste Transfer Project	PRC	Planning	BOT	N/A	30 years	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bishkek Project	Kyrgyzstan											
Phase I		In operation	BOO	December 2025	2024 – 2059	365	N/A	N/A	N/A	N/A	40	131.5
Phase II		Planning	N/A	N/A	35 years	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Osh City Project	Kyrgyzstan	Service concession agreement signed and under construction	BOT	N/A	2026 – 2061	310	N/A	N/A	N/A	N/A	N/A	N/A
Projects in Issyk-Kul	Kyrgyzstan											
– Project in Karakol, Issyk-Kul		Service concession agreement signed and under construction	BOO	N/A	2026 – 2061	219	N/A	N/A	N/A	N/A	N/A	N/A
– Project in Balykchy, Issyk-Kul		Service concession agreement signed	BOO	N/A	35 years	219	N/A	N/A	N/A	N/A	N/A	N/A
Almaty Project	Kazakhstan	Waste supply agreement and power purchase agreement signed	N/A	N/A	25 years	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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1. The actual waste treatment volume listed in the table above refers to the volume of waste that arrives at our site (i.e., the incoming waste volume). This incoming waste volume is measured by a government-verified metering system and is used to calculate the revenue we earn from waste treatment services. According to the typical treatment processes at our waste-to-energy incineration projects, from the time the waste arrives at the site to when it is fed into the furnace for incineration, the waste is stored and fermented in the waste pit. During this process, there is a certain degree of leachate loss. Therefore, the volume of waste entering the furnace (i.e., the incineration input volume) is generally lower than the incoming waste volume, due to the leachate loss during storage and fermentation. Our Directors believe that this discrepancy is normal and, according to F&S, such measurements are in line with common market practices.

During the Track Record Period, some of our Group’s projects operated above their legal overloading limit when measured by the incineration input volume. See “Business — Our Projects — The capacity, volume and load rates of our key services”. As of the Latest Practicable Date, all necessary confirmations from the relevant environmental authorities, who are also the sole competent and responsible authorities, as confirmed by our PRC Legal Advisor, have been obtained. These confirmations specifically verify that our Group’s operations may continue under existing conditions.

2. As of the Latest Practicable Date, the landfill volume of this project was nil, as the waste received at the Changsha Environmental Protection Industrial Park and the Projects in Pingjiang would be transported directly to waste-to-energy incineration, instead of landfill. In general, we do not apply any allocation mechanism between incineration and landfill facilities. Once a waste-to-energy incineration project becomes operational in an area, the waste collected and transferred will be sent to waste-to-energy incineration. In line with our long-term strategy and government directives promoting waste-to-energy solutions, all waste received at the Changsha Environmental Protection Industrial Park and the Pingjiang projects will continue to be transported to waste-to-energy incineration. In terms of future plans, we do not anticipate resuming landfill operations in Changsha or Pingjiang.
3. The operational figures set forth in this table only reflect those subsequent to the Acquisition of Renhe, which was completed in November 2024.
4. Certain of our projects have concession periods commencing prior to the establishment of our Company in September 2011. The relevant agreements were initially entered into with the government authorities by our Controlling Shareholders, Renhe or their related entities, and our Company subsequently carried out modification and upgrade works for the relevant facilities and assumed the obligations and benefits under such agreements.

MARKET OPPORTUNITIES AND COMPETITIVE LANDSCAPE

According to F&S, China’s green technology, solid waste treatment, and resource utilization sectors are undergoing major transformation, driven by changes in national policies, innovation, and market needs. With the introduction of the Dual Carbon goals and the Zero Waste City initiative, the industry is shifting from a fragmented treatment model to integrated treatment of various solid waste. Such a change improves efficiency and creates new value through the integrated treatment of household waste, sludge, food waste, leachate, sewage, and fly ash.

In terms of market competition, according to F&S, in 2025, our Changsha Waste-to-energy Incineration Project ranked fourth among all solid waste incineration projects in China, in terms of daily treatment capacity, and we ranked first in among all waste-to-energy incineration companies China in terms of average on-grid electricity generated per ton of waste. Our Changsha Transfer Project also ranked first among all waste interim treatment and transfer projects in China, and our Changsha Food Waste Project ranked third among all food waste treatment projects in China, in terms of daily treatment capacity.

Nevertheless, the environmental services industry, particularly in solid waste treatment and resource utilization, is inherently localized due to the nature of concession agreements and physical infrastructure constraints. These agreements, often spanning across decades, grant exclusive operational rights to service providers within specific jurisdictions. As a result, market entry is tightly regulated and geographically segmented. The physical limitations of waste collection, transportation, and treatment further reinforce this localization. Facilities must be situated near waste generation sources to maintain operational efficiency and cost-effectiveness, which restricts cross-regional competition and expansion. This has led to a fragmented competitive landscape, especially in China, where most enterprises operate within the confines of local government concessions. Only a handful of dominant players have managed to establish a national footprint. As environmental standards tighten and policy frameworks evolve, enterprises with superior capabilities are expected to consolidate market share through mergers and acquisitions.

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Moreover, China’s environmental services market, particularly in waste-to-energy incineration, has reached a mature stage. By December 31, 2025, incineration accounted for approximately 85% of domestic waste processing, surpassing the 2025 target of 65% set by the 14th Five-Year Plan. Projections indicate that this figure will rise to 90% by December 31, 2029. While this reflects the success of policy-driven infrastructure expansion, it also signals a saturation point. Most municipalities have already signed long-term concession agreements, leaving limited room for new entrants or expansion within the domestic market.

With domestic opportunities dwindling, the real growth potential lies in overseas markets. Developing regions such as Central Asia, Southeast Asia, South America, and the Middle East are experiencing rapid urbanization and rising household waste generation. However, according to F&S, these regions often lack adequate waste collection and processing infrastructure. For instance, incineration penetration in these areas remains below 10%, and collection rates are significantly lower than global averages. Chinese enterprises are well-positioned to fill this gap. Their standardized process systems, cost-effective models, and proven track records make them attractive partners for governments and international development agencies. The Belt and Road Initiative and green financing channels have further facilitated project access and capital mobilization. As environmental standards in these regions evolve, the demand for advanced, integrated waste processing solutions is expected to grow, offering Chinese firms a strategic opportunity to replicate their domestic success on a global scale.

OUR COMPETITIVE STRENGTHS AND FUTURE STRATEGIES

Our achievements to date and the foundation for our future growth are driven by several competitive advantages, including (i) as an established provider of specialized solutions in integrated waste treatment and resource utilization, we are positioned to drive growth across markets in China and overseas; (ii) our specialized solutions in integrated waste treatment and resource utilization are designed to efficiently meet the evolving needs of modern urban environments; (iii) we drive growth through our technological leadership; (iv) our capabilities in construction and operational management have driven strong and resilient financial performance; and (v) we are guided by visionary and experienced leadership, and a corporate culture rooted in integrity, accountability, resilience, and excellence.

We are committed to preserving our status as one of the key market players and to fostering our financial and operational expansion via these future strategies: (i) we will deepen our strategic focus on our core operations while advancing green technology capabilities; (ii) we will expand our operations overseas with a focus on Belt and Road markets; (iii) we will enhance our operational efficiency through technological innovation and digital transformation; and (iv) we will strengthen our talent development and organizational resilience.

CUSTOMERS AND SUPPLIERS

During the Track Record Period, our major customers comprised mostly local government authorities and electricity grid corporations. Our sales to the five largest customers in each year/period during the Track Record Period amounted to RMB1,832.1 million, RMB2,334.5 million, RMB2,521.9 million, and RMB667.8 million, representing 99.7%, 96.8%, 92.5%, and 90.6% of our total revenue, respectively. Our major suppliers during the Track Record Period comprised mostly independent construction contractors and equipment suppliers. Our purchases from the five largest suppliers in each year/period during the Track Record Period amounted to RMB171.3 million, RMB429.3 million, RMB344.2 million, and RMB40.9 million, representing 33.5%, 37.1%, 32.7% and 24.0% of our total purchases, respectively.

As of the Latest Practicable Date, for most of our projects that are in operation, and the majority of our customers, were situated in Hunan, with others located overseas. This geographic, and customer, concentration exposes us to region-specific risks, including population decline, changes in local government policies, economic conditions, and environmental regulations. Each of our projects is subject to the administrative and regulatory environment of the locality in which it operates. Our customers, which include local governments, may adjust their spending priorities, delay infrastructure investments, delay payments due to budget constraints, or revise environmental standards in ways that affect our business operations and future prospects.

Our mode of operations

We operate under a combination of BOT, BOO, BOOT, and TOT models, the details of which are specified in the section headed “Business — Our mode of operations” in this Document.

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The following table sets forth a breakdown of our total revenue by these four models for the periods indicated:

	For the years ended December 31,						For the three months ended March 31,	
	2023		2024		2025		2026	
	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)
BOT	1,801,858	98.1	2,281,625	94.6	1,607,043	58.9	431,065	58.5
TOT	34,756	1.9	38,535	1.6	27,403	1.0	6,978	1.0
BOOT	—	—	54,959	2.3	699,162	25.6	175,108	23.8
BOO	—	—	35,736	1.5	397,100	14.5	123,202	16.7
Total revenue	1,836,614	100.0	2,410,855	100.0	2,730,708	100.0	736,353	100.0

The decrease in revenue generated from projects under BOT model from 2024 to 2025 was primarily attributable to the decrease in revenue from construction services from RMB836.9 million in 2024 to RMB76.3 million in 2025, reflecting the completion of construction of our Liuyang and Pingjiang projects, which commenced operation in January 2025 and December 2024. The decrease in revenue generated from projects under TOT model from 2024 and 2025 was primarily attributable to the decrease in revenue from Pingjiang Landfill Project from RMB11.6 million in 2024 to no revenue in 2025, reflecting the commencement of the Pingjiang Waste-to-Energy Incineration Project (BOT) as the waste collected was sent to waste-to-energy incineration. The increase in revenue generated from projects under BOOT and BOO model from 2024 to 2025 was mainly attributable to the full-year revenue contribution from the Changsha Transfer Project (BOOT) and the Changsha Food Waste Project (BOO) in 2025, as compared with only one month of contribution in 2024 following the completion of the Acquisition of Renhe in November 2024.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

Results of operations

The following table sets forth a summary of results of operations:

	For the year ended December 31,						For the three months ended March 31,			
	2023		2024		2025		2025		2026	
	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000) (unaudited)	(%)	(RMB'000)	(%)
Revenue	1,836,614	100.0	2,410,855	100.0	2,730,708	100.0	697,360	100.0	736,353	100.0
Direct costs and operating expenses	(896,507)	(48.8)	(1,410,177)	(58.5)	(1,228,086)	(45.0)	(321,594)	(46.1)	(319,602)	(43.4)
Gross profit⁽¹⁾	940,107	51.2	1,000,678	41.5	1,502,622	55.0	375,766	53.9	416,751	56.6
Other revenue	107,092	5.8	107,952	4.5	117,144	4.3	28,455	4.1	24,679	3.4
Other net income	36,550	2.0	21,694	0.9	12,521	0.5	1,464	0.2	4,900	0.7
Administrative and selling expenses	(175,781)	(9.6)	(183,653)	(7.6)	(268,767)	(9.8)	(67,686)	(9.7)	(68,445)	(9.3)
Research and development costs	(57,004)	(3.1)	(63,811)	(2.6)	(89,860)	(3.3)	(14,667)	(2.1)	(16,904)	(2.3)
Impairment losses under expected credit loss (“ECL”) model, net of reversal	(13,095)	(0.7)	(9,924)	(0.4)	(5,686)	(0.2)	(16,653)	(2.4)	18,896	2.6
Profit from operations	837,869	45.6	872,936	36.2	1,267,974	46.5	306,679	44.0	379,877	51.6
Finance costs	(135,185)	(7.4)	(110,257)	(4.6)	(116,493)	(4.3)	(26,190)	(3.8)	(33,099)	(4.5)
Share of (loss)/profit of an associate	—	—	(167)	—	4	—	33	—	1,613	0.2
Profit before taxation	702,684	38.3	762,512	31.6	1,151,485	42.2	280,522	40.2	348,391	47.3
Income tax	(49,888)	(2.7)	(76,264)	(3.2)	(157,467)	(5.8)	(44,564)	(6.4)	(43,516)	(5.9)
Profit for the year/period	652,796	35.5	686,248	28.5	994,018	36.4	235,958	33.8	304,875	41.4

SUMMARY

Note:

1. Our revenue comprised (i) operational revenue from our projects; and (ii) those in relation to construction services. For a better understanding of our operational performance, the operating gross profit margins from our projects (i.e., revenue and gross profit generated from non-construction business) were of 62.9%, 63.6%, 56.6%, 57.8% and 58.5%, and similarly, the operating net profit margins from our projects (i.e., revenue and net profit generated from products/services other than construction) were 43.7%, 43.6%, 37.4%, 36.3% and 42.8% for the years ended December 31, 2023, 2024, and 2025, and the three months ended March 31, 2025 and 2026, respectively.

Profits for the year/period

For the year ended December 31, 2024, our Group’s profit for the year increased to RMB686.2 million from RMB652.8 million, which was attributable to a 31.3% increase in revenue, which was partially offset by a 57.3% increase in direct costs and operating expenses, and a 52.9% increase in income tax expenses as certain subsidiaries’ preferential tax policies had expired. For the year ended December 31, 2025, our Group’s profit for the year increased to RMB994.0 million, mainly due to an increase in our total revenue as a result of the Acquisition of Renhe. For the three months ended March 31, 2025 and 2026, our Group’s profit for the period increased from RMB236.0 million to RMB304.9 million, which was attributable to a 10.9% increase in gross profit driven by operation of our waste-to-incineration projects in Liuyang and Bishkek.

The accounting treatment for service concession agreements

Due to the nature of our operations in this industry, we enter into BOT, TOT, BOOT, and BOO models for our projects. Based on our assessment, majority of our projects (including all BOT and TOT projects and a BOOT project) fall within the scope of IFRIC 12 “Service Concession Arrangements”.

Such projects typically consist of a construction phase (except for those under a TOT model) and an operation phase. During the construction phase, revenue from construction services is recognized over time as the work is performed in accordance with IFRS15. The consideration for the construction service is recognized as a contract asset. Upon completion of the construction phase, the contract asset is subsequently reclassified either as a financial asset (also known as “Financial Asset Model”) or/and as an intangible asset (also known as “Intangible Asset Model”) as the consideration for the construction services, depending on the extent that we have an unconditional contractual right to receive cash or another financial asset.

While in case of TOT model, our payment made to the grantor is directly recognized as a financial asset or/and as an intangible asset based on the same principal, as its typically do not include any construction phase.

Subject to the accounting model those projects applied as described above, the revenue recognized during the operation phase is differentiated.

As a result of above, for projects within the scope of IFRIC 12, we recognize revenue during both the construction phase (if any) and the operation phase while the associated cash flows are typically received only during the operation phase. This leads to a timing mismatch between the revenue recognition and the cash flows generation for such projects.

The accounting treatment described above is subject to significant management judgment, and has had, and will continue to have, a material impact on our results of operations and financial position. For further information, please see the section headed “Financial Information – Impact of the accounting treatment for service concession arrangements” in this Document.

Gross profit margins and the influence of construction services

Our overall gross profit margins were 51.2%, 41.5%, 55.0% and 56.6% for the years ended December 31, 2023, 2024, and 2025, and the three months ended March 31, 2026, respectively, the fluctuation of overall gross profit margins was mainly as a result of the fluctuation of the revenue contribution of revenue from construction services. However, our operating gross profit margins were relatively stable at 62.9%, 63.6%, 56.6% and 58.5% for the same periods, respectively.

SUMMARY

Financial position

The following table sets forth a summary of our consolidated statements of financial position:

	As of December 31,			As of
	2023	2024	2025	March 31,
	(RMB'000)	(RMB'000)	(RMB'000)	2026
				(RMB'000)
Current assets	2,812,866	4,207,067	5,078,510	5,388,476
Current liabilities	938,323	1,804,518	1,160,100	1,037,056
Net current assets	1,874,543	2,402,549	3,918,410	4,351,420
Non-current assets	6,788,992	9,788,317	9,482,507	9,344,612
Non-current liabilities	2,934,413	3,590,072	3,827,612	4,069,072
Net assets	5,729,122	8,600,794	9,573,305	9,626,960

Net assets

As of December 31, 2023 and 2024, our net assets increased from RMB5,729.1 million to RMB8,600.8 million. This increase was mainly attributable to (i) our profit for the year of RMB686.2 million; (ii) the acquisition of subsidiaries through the issuance of new shares, which increased our share capital by RMB105.6 million, capital reserve by RMB1,432.2 million, and non-controlling interests by RMB1,204.5 million; and (iii) the recognition of equity-settled share-based payments of RMB4.3 million. This was partially offset by (i) dividends declared and paid to non-controlling shareholders of subsidiaries of RMB217.0 million; and (ii) dividends paid to shareholders of our Company of RMB369.0 million.

As of December 31, 2024 and 2025, our net assets increased from RMB8,600.8 million to RMB9,573.3 million. This increase was mainly attributable to (i) our profit for the year of RMB994.0 million; (ii) a non-public issuance of A shares, which increased our share capital by RMB48.0 million and capital reserves by RMB696.4 million; (iii) the recognition of equity-settled share-based payments of RMB1.6 million; and (iv) capital contribution from non-controlling shareholders of our subsidiaries of RMB22.5 million. This was partially offset by (i) dividends declared and paid to non-controlling shareholders of subsidiaries of RMB223.0 million; (ii) dividends paid to shareholders of our Company of RMB507.3 million; and (iii) repurchase of ordinary A shares of RMB51.0 million.

As of December 31, 2025 and March 31, 2026, our net assets increased from RMB9,573.3 million to RMB9,627.0 million. This increase was mainly attributable to our profit for the period of RMB304.9 million which was partially offset by the repurchase of ordinary A shares amounting to RMB249.0 million.

Net current assets

Our net current assets increased from RMB1,874.5 million as of December 31, 2023 to RMB2,402.5 million as of December 31, 2024. This increase was mainly driven by an increase in cash and cash equivalents (from RMB861.4 million to RMB1,444.0 million). Moreover, our prepayments, trade and other receivables increased to RMB2,002.8 million, and our inventories also increased to RMB36.3 million, which was consistent with the ramp-up of new projects during the year.

Our net current assets increased from RMB2,402.5 million as of December 31, 2024 to RMB3,918.4 million as of December 31, 2025. This increase was mainly driven by (i) an increase of RMB830.2 million in financial assets at fair value through profit or loss; (ii) an increase of RMB321.4 million in other financial assets; (iii) a decrease of RMB642.5 million in trade and other payables. Such increase was partially offset by a decrease of RMB224.2 million in cash and cash equivalents and a decrease of RMB63.6 million in prepayments, trade and other receivables.

Our net current assets further increased to RMB4,351.4 million as of March 31, 2026. This increase was mainly driven by (i) an increase of RMB117.7 million in prepayments, trade and other receivables; (ii) an increase of RMB124.9 million in financial assets at fair value through profit or loss; and (iii) a decrease of RMB133.8 million in trade and other payables. Such increase was partially offset by an increase of RMB15.6 million in income tax payable and an increase of RMB3.1 million in contract liabilities.

SUMMARY

Cash flows

The following table sets forth a summary of our consolidated cash flow statements:

	For the years ended December 31,			For the three months ended March 31,	
	2023	2024	2025	2025	2026
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000) (unaudited)	(RMB'000)
Net cash generated from operating activities . .	868,733	971,097	1,699,239	148,110	235,751
Net cash (used in)/generated from investing activities . .	(160,212)	164,055	(1,931,007)	(994,804)	(200,096)
Net cash (used in)/generated from financing activities . .	(878,168)	(552,435)	7,887	784,356	(31,633)
Net (decrease)/increase in cash and cash equivalents	(169,647)	582,717	(223,881)	(62,338)	4,022
Cash and cash equivalents, beginning of the year/period	1,031,578	861,370	1,444,006	1,444,006	1,219,757
Effect of exchange rate changes on cash and cash equivalents	(561)	(81)	(368)	26	(2,872)
Cash and cash equivalents, end of the year/period	861,370	1,444,006	1,219,757	1,381,694	1,220,907

Key financial ratios

The following table sets forth a summary of our key financial ratios:

	As of/for the year ended December 31			As of/for the three months ended March 31,
	2023	2024	2025	2026
Return on equity ⁽¹⁾	11.6%	9.6%	10.9%	3.2%
Return on assets ⁽²⁾	6.8%	5.8%	7.0%	2.1%
Gearing ratio ⁽³⁾	46.4%	33.7%	31.5%	33.8%
Gross profit margin ⁽⁴⁾	51.2%	41.5%	55.0%	56.6%
Net profit margin ⁽⁵⁾	35.5%	28.5%	36.4%	41.4%
Dividend payout ratio ⁽⁶⁾	71.8%	94.6%	70.2%	/

Notes:

- (1) Return on equity is calculated based on the profit for the year/period divided by the arithmetic mean of the opening and closing balances of the total equity and multiplied by 100%.
- (2) Return on assets is calculated based on the profit for the year/period divided by the arithmetic mean of the opening and closing balances of the total assets and multiplied by 100%.
- (3) Gearing ratio is calculated based on total indebtedness (including bank borrowings, other borrowings and lease liabilities) divided by total equity and multiplied by 100%.
- (4) Our overall gross profit margin equals to our overall gross profit for the year/period divided by revenue for the year/period and multiplied by 100%. Owing to the nature of our operations in this industry, the accounting treatment of our service concession agreements, our revenue comprised (i) operational revenue from our

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projects; and (ii) those in relation to construction services. For a better understanding of our operational performance, our operating gross profit margins from our projects were of 62.9%, 63.6%, 56.6% and 58.5% for the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively.

- (5) Our overall net profit margin equals to our overall net profit for the year/period divided by revenue for the year/period and multiplied by 100%. Similarly, our operating net profit margins from our projects were 43.7%, 43.6%, 37.4% and 42.8% for the years ended December 31, 2023, 2024, and 2025, and the three months ended March 31, 2026, respectively.
- (6) Dividend payout ratio equals our dividends paid to the equity shareholders of our Company in respect of a financial year, divided by the profit attributable to the equity shareholders of our Company for the same year and multiplied by 100%.

[REDACTED]

We estimate the [REDACTED] of the [REDACTED] which we will receive, assuming an [REDACTED] of [REDACTED] per [REDACTED] (being the maximum [REDACTED]), will be approximately [REDACTED], after the deduction of [REDACTED] fees and commissions and estimated expenses payable by us in connection with the [REDACTED], and assuming that the [REDACTED] is not exercised. In line with our future strategies, we intend to use our [REDACTED] from the [REDACTED] for the following purposes assuming the [REDACTED] is fixed at [REDACTED] per [REDACTED] (being the maximum [REDACTED]): (i) we will use [REDACTED]% of the [REDACTED], or [REDACTED], for our future projects in relation to integrated waste treatment and resource utilization in both overseas and China, of which approximately [REDACTED]% of the [REDACTED] will be used for civil engineering costs in relation to future waste-to-incineration power generation facilities, approximately [REDACTED]% will be used for purchasing and installing the necessary equipment in such facilities, and approximately [REDACTED]% will be used for project design and management; (ii) we will use [REDACTED]% of the [REDACTED], or [REDACTED], to support our technological innovation efforts; and (iii) we will use [REDACTED]% of the [REDACTED], or [REDACTED], for general corporate purposes, including working capital needs.

SUMMARY OF RISK FACTORS

Our business and the [REDACTED] involve certain risks as set out in the section headed “Risk Factors” in this Document. Some of the major risks we face include (i) our operations are influenced by the environmental protection and energy policies, laws and regulations of the governments of the countries in which we operate; (ii) failure to obtain, renew, or retain licenses, permits or approvals may affect our business; (iii) our operations may be affected by local policies, events, and economic conditions, particularly in Hunan Province; (iv) our overseas operations and development plans are subject to risks and restrictions; (v) any change or discontinuation of preferential tax treatment we currently enjoy would increase our tax charge; (vi) our results may fluctuate due to our accounting treatment with respect to service concession arrangements; and (vii) we had incurred a significant amount of trade receivables, and our financial stability and profitability are tied to our customers’ ability to make timely payments.

MAJOR ACQUISITION: THE ACQUISITION OF RENHE

Renhe Environment Technology, established in the PRC on November 23, 2011, is principally engaged in the collection, harmless treatment, and resource utilization of food waste. On March 3, 2023, our Company entered into an Agreement for the Purchase of Assets by Share Issue and Cash Payment with 19 counterparties, including Hunan Renjing, Hunan Renlian, Hong Yefan, Hunan Renyi, and Hu Shiti, to acquire a 63% equity interest in Renhe Environment Technology. The total consideration amounted to RMB2,196,810,000, comprising the issuance of 105,615,853 A Shares valued at RMB1,537,767,000 and a cash payment of RMB659,043,000. The valuation was determined through arm’s length negotiation, taking into account our Company’s average share price and an independent valuation report. The acquisition was executed through a combination of share issuance and cash payment, which were fully settled in November 2024 and January 2025, respectively. All necessary approvals, including that from the CSRC in July 2024, were obtained. Following the transaction, Renhe Environment Technology became a direct non-wholly owned subsidiary of our Company. This acquisition aligns with our strategic plan to expand into the food waste and household waste transfer sectors, strengthening our capabilities across the solid waste treatment value chain. For further information, please see the section headed “History, Development, and Corporate Structure — Major acquisitions — Major acquisitions during the Track Record Period” in this Document.

SUMMARY

RECENT DEVELOPMENT

Subsequent to the Track Record Period up to the Latest Practicable Date, we had continued our business growth, with the continued ramping up of operational output and efficiencies of our clean waste-to-energy incineration project in Bishkek, Kyrgyzstan. In respect of our business expansion, we have entered into a waste supply agreement and a power purchase agreement in April 2026 in relation to a green energy and environmental services project with the local government authorities of Almaty, Kazakhstan succeeding the memorandum of understanding and an investment agreement entered into in July and August 2025, respectively. Pursuant to the waste supply agreement, the waste treatment capacity of the project is stipulated to be 2,000 tons per day. In addition, in April 2026, we received a notice of award for the Changsha Hexi Waste-to-Energy Incineration Power Plant Project (with a planned treatment capacity of 4,000 tons per day). Following the execution of an investment agreement, we further entered into a service concession agreement in relation to two green energy and environmental services projects in the Issyk-Kul Prefecture of Kyrgyzstan. In terms of the operational performance of our projects, as of the Latest Practicable Date, our waste-to-energy incineration projects had a combined treatment capacity of 10,600 tons per day; the projects within our Changsha Environmental Protection Industrial Park had a combined daily treatment capacity of 2,700 tons of leachate, 1,000 tons of sludge, and 215 tons of fly ash; our Liuyang fly ash treatment project had a daily treatment capacity of 42 tons of solidified material resulting from the chelation and stabilization of fly ash; our Changsha Transfer Project had a daily treatment capacity of 10,000 tons of household waste; and our Changsha Food Project had a daily treatment capacity of 1,200 tons of food waste.

Summary of Unaudited Financial Information for the Six Months Ended June 30, 2026

We are a public company listed on the Shenzhen Stock Exchange and we have disclosed unaudited key financial information prepared under PRC GAAP as of and for the six months ended June 30, 2026 pursuant to the relevant PRC securities laws and regulations. We have included our unaudited interim condensed consolidated financial information prepared in accordance with IAS 34, *Interim Financial Reporting*, as of and for the six months ended June 30, 2026 in Appendix IA to this document. Our unaudited interim condensed consolidated financial information as of and for the six months ended June 30, 2026 has been reviewed by our reporting accountants in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. The members of the Board, including those of the Audit Committee, have received and reviewed the unaudited interim condensed consolidated financial information of our Group for the six months ended June 30, 2026, as set out in Appendix IA to this document. We have complied with the code provisions in Part 2 of Appendix C1 to the Listing Rules. We are not in breach of our Articles of Association or laws and regulations of the PRC or other regulatory requirements regarding our obligation to distribute interim reports in accordance with the requirements under Rule 13.48(1) of the Listing Rules. Pursuant to the Note to Rule 13.48(1) of the Listing Rules, we do not intend to distribute a separate interim report in respect of the six months ended June 30, 2026 under the aforementioned Rule.

Our revenue increased by 5.6% from RMB1,468.4 million for the six months ended June 30, 2025 to RMB1,550.4 million for the six months ended June 30, 2026. Our gross profit increased by 10.0% from RMB805.7 million for the six months ended June 30, 2025 to RMB886.1 million for the six months ended June 30, 2026, and our overall gross margin increased from 54.9% to 57.2% during the same period. Our profit for the period increased by 8.6% from RMB544.1 million for the six months ended June 30, 2025 to RMB591.0 million for the six months ended June 30, 2026. See “Appendix IA — Unaudited Interim Financial Information” and “Financial Information — Recent Development and No Material Adverse Change — Summary of Unaudited Financial Information for the Six Months Ended June 30, 2026.”

No material adverse change

Our Directors confirm that, up to the date of this Document, there had been no material adverse change in our business, financial condition and results of operations since March 31, 2026, which is the end date of the period reported on in the Accountants’ Report as set out in Appendix I to this Document, and there is no event since March 31, 2026 which would materially affect the information in the Accountants’ Report as set out in Appendix I to this Document.

SUMMARY

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, our Controlling Shareholders, namely Mr. Dai, Ms. Li, Junxin Group and Daoxin Investment, are entitled to control approximately 64.92% of our total issued share capital. Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and that no changes are made to the issued share capital of the Company between the Latest Practicable Date and [REDACTED]), our Controlling Shareholders will, directly and indirectly, continue to control in aggregate approximately [REDACTED]% of our total issued share capital.

For further details about our Controlling Shareholders, please refer to the section headed “Relationship with our Controlling Shareholders” in this Document.

OUR LISTING ON THE SHENZHEN STOCK EXCHANGE

Since April 13, 2022, our A Shares have been listed on the Shenzhen Stock Exchange. Our Directors confirmed that, as of the Latest Practicable Date, we had no instance of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the [REDACTED] attention in relation to our compliance record on the Shenzhen Stock Exchange. Our PRC Legal Advisor advised us that during the Track Record Period and up to the Latest Practicable Date, we have not been subject to any substantial administrative penalties or regulatory measures imposed by PRC securities regulatory authorities and we have complied with the relevant laws and regulations on A share listings applicable to us in all material respects. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors’ attention that would cause it to cast doubt on our Directors’ confirmation with regard to the compliance record of our Company on the Shenzhen Stock Exchange in any material respect.

DIVIDEND AND DIVIDEND POLICY

Pursuant to PRC laws and regulations, including the PRC Company Law (《中華人民共和國公司法》) and the No. 3 Guideline for the Supervision of Listed Companies — Cash Dividend Distribution of Listed Companies (2025 Revision) (《上市公司監管指引第3號—上市公司現金分紅(2025年修訂)》), as well as our Articles of Association, specific dividend ratio is determined by our Board in accordance with applicable regulations and our operating conditions, and is subject to consideration and approval at our general shareholders’ meeting. See “Financial Information — Dividend and Dividend Policy”.

Our dividend policy is that where our Group records a profit for the year and has positive undistributed profits on a cumulative basis, and provided that such distribution does not compromise our ability to continue operations and support long-term development, we will distribute no less than 50% of the profit attributable to equity shareholders of our Company (as shown in the consolidated financial statements) in the form of cash dividends for that year, unless there are significant investment plans or major cash expenditure arrangements in place (excluding projects funded by proceeds from fundraising activities). See “Financial Information — Dividend and Dividend Policy”. Apart from above, we currently do not have any other formal dividend policy or set other payout ratio target. As of the Latest Practicable Date, our Group has no unpaid dividends, and no foreseeable material changes have been identified.

Future profit distributions may be made in the form of cash dividends, stock dividends, or a combination of both. Any proposed distribution is subject to the discretion of our Board and approval at our shareholders’ meetings. In making such recommendations, our Board will consider a range of factors including our operating results, financial condition, business needs, capital requirements, shareholders’ interests, and any other factors it deems relevant.

For the years ended December 31, 2023, 2024 and 2025, the dividends of RMB369.0 million, RMB369.0 million and RMB507.3 million in respect of the years ended December 31, 2022, 2023, and 2024, were declared and paid, respectively. Our dividend payout ratios for the years ended December 31, 2023, 2024 and 2025 were 71.8%, 94.6% and 70.2%, respectively. On April 21, 2026, we held the Annual General Meeting of 2025 and approved a proposal by our Board of Directors to distribute a dividend of RMB6.53 per 10 shares based on the then total share capital of 789,100,842 shares, excluding 18,889,311 shares cumulatively repurchased and held in our

SUMMARY

repurchased securities account, totaling RMB502.9 million, with no bonus shares to be issued and no conversion of capital reserves into share capital to be made. As of the Latest Practicable Date, we had paid the dividend of RMB502.9 million. For further information, please refer to Note 28 of the Accountants’ Report in Appendix I to this Document.

[REDACTED] STATISTICS

	Based on the maximum [REDACTED] of [REDACTED] per H Share
[REDACTED] of our H Shares ⁽¹⁾⁽²⁾	HKD[REDACTED]
[REDACTED] of our Shares upon completion of the [REDACTED] ⁽¹⁾⁽³⁾	HKD[REDACTED]
Unaudited [REDACTED] adjusted consolidated net tangible assets per Share ⁽⁴⁾	HKD[REDACTED]

Notes:

- (1) All statistics in the table are based on the assumption that the [REDACTED] is not exercised.
- (2) The calculation of [REDACTED] of our H Shares is based on the assumption that [REDACTED] H Shares will be in issue immediately upon completion of the [REDACTED].
- (3) The calculation of the [REDACTED] of our Shares upon the completion of the [REDACTED] is based on [REDACTED] H Shares that will be in issue immediately after the completion of the [REDACTED] and the total share capital of 770,211,531 A Shares as at the Latest Practicable Date (excluding 18,889,311 treasury shares resulting from the repurchase of A shares up to the Latest Practicable Date), with an average of RMB12.98 during the five trading days of A Shares immediately preceding the Latest Practicable Date.
- (4) The unaudited [REDACTED] adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share is arrived on the basis of [REDACTED] Shares (of which the calculation takes into account the number of Shares as of March 31, 2026 but excludes 18,889,311 Shares repurchased by the Company during the Track Record Period (as set out in Note 28(d)(iv) of “Appendix I — Accountants’ Report” to this document) and [REDACTED] H Shares to be issued pursuant to the [REDACTED]), without taking into account any Shares which may be [REDACTED] upon the exercise of the [REDACTED] or any Shares which have been or may be repurchased subsequent to March 31, 2026.

No adjustment has been made to the unaudited [REDACTED] adjusted consolidated net tangible assets attributable to equity shareholders of the Company to reflect any trading results or other transactions of the Group subsequent to March 31, 2026. In particular, the unaudited [REDACTED] adjusted consolidated net tangible assets attributable to equity shareholders of the Company have not been taken into account the final dividend approved on April 21, 2026. Had the final dividend been approved on March 31, 2026, the unaudited [REDACTED] adjusted consolidated net tangible assets attributable to equity shareholders of the Company as at March 31, 2026 would have decreased by RMB502,948,000 and the unaudited [REDACTED] adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share as at March 31, 2026 would have decreased by RMB0.52 or HKD0.60.

[REDACTED]

[REDACTED] represent professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED]. Assuming the [REDACTED] is not exercised and based on the maximum [REDACTED] of [REDACTED] per [REDACTED], [REDACTED] to be borne by us are estimated to be HK\$[REDACTED], comprising: (i) [REDACTED], SFC transaction levy, Stock Exchange trading fees and AFRC transaction levy of HK\$[REDACTED]; and (ii) non-[REDACTED] related expenses of HK\$[REDACTED], which are further categorized into: (a) fees and expenses of legal advisers and reporting accountants of HK\$[REDACTED]; and (b) other fees and expenses of HK\$[REDACTED]. Among the estimated aggregate amount of our estimated [REDACTED], (i) HK\$[REDACTED] is expected to be charged to our consolidated statements of profit or loss, of which HK\$[REDACTED] was recognized as our profit or loss during the Track Record Period; and (ii) HK\$[REDACTED] is directly attributable to the [REDACTED] of the [REDACTED] in the [REDACTED] and is expected to be accounted for as a deduction from equity upon [REDACTED] in accordance with relevant accounting standards. The [REDACTED] are expected to represent approximately [REDACTED]% of the [REDACTED] of the [REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the maximum [REDACTED]) and that the [REDACTED] is not exercised. The [REDACTED] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.