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CONCH VENTURE
China Conch Venture Holdings Limited
中國海螺創業控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 586)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

HIGHLIGHTS

- Revenue of the Group for 2025 amounted to approximately RMB6,547.71 million (2024: RMB6,270.74 million), representing an increase of 4.42% as compared to 2024.
- Net profit attributable to equity shareholders of the Group for 2025 amounted to approximately RMB2,245.14 million (2024: RMB2,019.56 million), representing an increase of 11.17% as compared to 2024.
- Net profit (excluding share of profits of associates) of our principal activities attributable to equity shareholders of the Group for 2025 amounted to approximately RMB724.24 million (2024: RMB703.50 million), representing an increase of 2.95% as compared to 2024.
- The Board proposed the distribution of a final cash dividend of HK\$0.30 per share for 2025. Total dividend for the year was HK\$0.40 per share, which included the interim dividend declared in August 2025 (2024: HK\$0.40 per share, including the special dividend of HK\$0.10 per share declared in September 2024).

The board (the “**Board**”) of directors (the “**Directors**”) of China Conch Venture Holdings Limited (the “**Company**”) hereby presents the audited consolidated annual results and financial positions for the year ended 31 December 2025 (the “**Reporting Period**”) of the Company and its subsidiaries (the “**Group**”).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the year ended 31 December 2025

(Expressed in Renminbi Yuan)

	Note	2025 RMB'000	2024 RMB'000
Revenue	3	6,547,710	6,270,737
Cost of sales		<u>(4,275,785)</u>	<u>(4,095,321)</u>
Gross profit		2,271,925	2,175,416
Other net income	4	190,496	208,319
Distribution costs		(28,994)	(26,939)
Administrative expenses		(827,605)	(703,593)
Impairment loss on trade receivables and contract assets		<u>(13,787)</u>	<u>(11,812)</u>
Profit from operations		1,592,035	1,641,391
Finance costs	5(a)	(657,317)	(707,776)
Share of profits of associates	9	<u>1,520,904</u>	<u>1,316,054</u>
Profit before taxation	5	2,455,622	2,249,669
Income tax	6(a)	<u>(155,445)</u>	<u>(130,568)</u>
Profit for the year		<u>2,300,177</u>	<u>2,119,101</u>
Attributable to:			
— Equity shareholders of the Company		2,245,142	2,019,557
— Non-controlling interests		<u>55,035</u>	<u>99,544</u>
Profit for the year		<u>2,300,177</u>	<u>2,119,101</u>
Earnings per share	7		
— Basic and diluted (RMB)		<u>1.32</u>	<u>1.17</u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

*for the year ended 31 December 2025
(Expressed in Renminbi Yuan)*

	2025	2024
	RMB'000	RMB'000
Profit for the year	2,300,177	2,119,101
Other comprehensive income for the year (after tax and reclassification adjustments)		
Items that will not be reclassified to profit or loss:		
Share of other comprehensive income of associates, net of tax	115,175	14,183
Items that may be reclassified subsequently to profit or loss:		
Share of other comprehensive income of associates, net of tax	(13,079)	(53,244)
Exchange differences on translation of financial statements of overseas subsidiaries	(10,518)	968
	91,578	(38,093)
Total comprehensive income for the year	2,391,755	2,081,008
Attributable to :		
— Equity shareholders of the Company	2,336,720	1,981,464
— Non-controlling interests	55,035	99,544
Total comprehensive income for the year	2,391,755	2,081,008

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2025

(Expressed in Renminbi Yuan)

	<i>Note</i>	2025 RMB'000	2024 <i>RMB'000</i>
Non-current assets			
Property, plant and equipment		7,115,773	7,960,761
Investment property		1,526,886	–
Right-of-use assets		1,463,960	1,827,123
Intangible assets		20,600,024	20,298,783
Goodwill		187,104	187,104
Interests in associates	9	39,829,502	38,584,490
Contract assets	10	3,070,795	3,844,358
Non-current portion of trade and other receivables	11	1,242,701	1,540,209
Financial assets measured at fair value through profit and loss (“FVPL”)		165,000	165,000
Equity securities measured at fair value through other comprehensive income (“FVOCI”)		10,320	10,320
Deferred tax assets		104,368	92,503
		75,316,433	74,510,651
Current assets			
Financial assets measured FVPL		9,577	11,879
Inventories		441,379	273,341
Contract assets	10	1,294,270	1,058,405
Trade and other receivables	11	4,517,398	3,601,660
Income tax recoverable		2,665	39,436
Restricted bank deposits		52,107	61,090
Bank deposits with original maturity over three months		530,000	500,000
Cash and cash equivalents		2,072,398	2,269,721
Assets held for sale		46,023	–
		8,965,817	7,815,532

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

at 31 December 2025

(Expressed in Renminbi Yuan)

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current liabilities			
Bank loans		1,777,044	1,798,378
Trade and other payables	12	3,763,743	4,243,357
Unsecured medium-term notes (“MTN”)	13	2,700,000	–
Lease liabilities		9,994	11,308
Contract liabilities		83,250	45,922
Income tax payables		136,897	152,448
Liabilities directly associated with the assets held for sale		7,542	–
		8,478,470	6,251,413
Net current assets		487,347	1,564,119
Total assets less current liabilities		75,803,780	76,074,770
Non-current liabilities			
Bank loans		23,173,025	23,716,684
Unsecured MTN	13	1,300,000	2,700,000
Lease liabilities		19,629	19,464
Deferred income		211,344	215,548
Deferred tax liabilities		227,374	246,442
		24,931,372	26,898,138
Net assets		50,872,408	49,176,632
Capital and reserves			
Share capital		14,222	14,222
Reserves		49,384,773	47,698,880
		49,398,995	47,713,102
Equity attributable to equity shareholders of the Company		49,398,995	47,713,102
Non-controlling interests		1,473,413	1,463,530
Total equity		50,872,408	49,176,632

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards (“IFRS”), International Accounting Standards (“IAS”) and Interpretations issued by the International Accounting Standards Board (“IASB”) and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The IASB has issued certain new or amended IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation and presentation

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except for below certain financial instruments, which are measured at their fair value as explained in the accounting policies set out below:

- equity investments ;
- structured deposits products measured at FVPL;
- bills receivable measured at FVOCI — recycling.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to IAS 21, *The effects of changes in foreign exchange rates — Lack of exchangeability* issued by the IASB to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are construction and operation of waste-to-energy projects, port logistics services, the manufacturing and sales of new building materials and new energy business, and investments.

Disaggregation of revenue

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Disaggregated by major products or service lines:		
Waste incineration solutions		
— Construction services	504,511	975,143
— Operation services	3,985,578	3,689,254
Energy saving equipment	496,444	817,832
	<u>4,986,533</u>	<u>5,482,229</u>
Port logistics services	168,451	182,353
Sale of new building materials	90,660	102,059
New energy business	1,093,066	289,664
	<u>6,338,710</u>	<u>6,056,305</u>
Total revenue from contracts with customers	<u>6,338,710</u>	<u>6,056,305</u>
Finance income from service concession arrangements	209,000	214,432
	<u>209,000</u>	<u>214,432</u>
Total revenue	<u>6,547,710</u>	<u>6,270,737</u>

The Group had transactions with certain PRC local government authorities which in aggregate exceeded 10% of the Group's revenue. Revenue from waste incineration solutions under BOT arrangement and derived from these local government authorities in the PRC for the year ended 31 December 2025 amounted to RMB2,085,195,000 (2024: RMB2,317,185,000).

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Timing of revenue recognition		
— Over time	5,037,511	5,192,613
— Point in time	<u>1,301,199</u>	<u>863,692</u>
	<u><u>6,338,710</u></u>	<u><u>6,056,305</u></u>

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment, the Group has presented the following five reportable segments.

- (i) Waste-to-energy projects: this segment includes waste incineration solutions, manufacturing and sales of residual heat power generation, vertical mill and related after-sales services.
- (ii) Port logistics services: this segment mainly engages in cargo handling, trans-shipment and warehousing services.
- (iii) New building materials: this segment mainly engages in alternative wall building materials, such as the cellulose fiber cement sheets, autoclaved boards and wood wool cement boards.
- (iv) New energy: this segment mainly engages in lithium iron phosphate cathode and anode materials, and recycling business.
- (v) Investments: this segment comprises investments in Anhui Conch Holdings Co., Ltd. (“**Conch Holdings**”). Details of the principal activities of Conch Holdings are set out in note 9.

- (i) For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all current assets and non-current assets. Segment liabilities include trade and other payables, income tax payable and bank loans managed directly for the segments. Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments.

The measure used by the Group's senior executive management to assess segment results is the profit before taxation. Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resources allocation and assessment of segment performance for the years ended 31 December 2025 and 2024 is set out below:

	Year ended 31 December 2025							
	Waste-to-energy projects RMB'000	Port logistics services RMB'000	New building materials RMB'000	New energy RMB'000	Investments RMB'000	Unallocated RMB'000	Elimination RMB'000	Total RMB'000
Revenue from external customers	5,195,533	168,451	90,660	1,093,066	-	-	-	6,547,710
Inter-segment revenue	-	-	1,563	-	-	-	(1,563)	-
Reportable segment revenue	<u>5,195,533</u>	<u>168,451</u>	<u>92,223</u>	<u>1,093,066</u>	<u>-</u>	<u>-</u>	<u>(1,563)</u>	<u>6,547,710</u>
Reportable segment profit/(loss)	<u>1,128,020</u>	<u>70,245</u>	<u>(17,704)</u>	<u>(121,438)</u>	<u>1,520,904</u>	<u>(124,405)</u>	<u>-</u>	<u>2,455,622</u>
Interest income	22,545	104	3,838	4,758	-	6,665	-	37,910
Interest expenses	516,801	-	-	20,503	-	120,013	-	657,317
Depreciation and amortisation	1,092,787	36,064	17,816	59,294	-	2,946	-	1,208,907
Reversal of the inventory provision	-	-	(7,051)	-	-	-	-	(7,051)
Provision for loss allowance								
— trade receivables and contract assets	9,099	-	-	4,688	-	-	-	13,787
Impairment losses on assets classified as held for sale	-	-	-	48,947	-	-	-	48,947
Reportable segment assets	35,705,353	396,715	906,620	4,142,800	39,829,503	7,705,339	(4,404,080)	84,282,250
Reportable segment liabilities	23,686,148	24,679	2,229,015	3,251,829	-	8,622,251	(4,404,080)	33,409,842

Year ended 31 December 2024

	Waste-to- energy projects <i>RMB'000</i>	Port logistics services <i>RMB'000</i>	New building materials <i>RMB'000</i>	New energy <i>RMB'000</i>	Investments <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue from external customers	5,696,661	182,353	102,059	289,664	-	-	-	6,270,737
Inter-segment revenue	-	-	1,847	-	-	-	(1,847)	-
Reportable segment revenue	<u>5,696,661</u>	<u>182,353</u>	<u>103,906</u>	<u>289,664</u>	<u>-</u>	<u>-</u>	<u>(1,847)</u>	<u>6,270,737</u>
Reportable segment profit/(loss)	<u>971,930</u>	<u>85,858</u>	<u>(29,669)</u>	<u>(27,133)</u>	<u>1,316,054</u>	<u>(67,371)</u>	<u>-</u>	<u>2,249,669</u>
Interest income	25,719	165	910	1,160	-	13,471	-	41,425
Interest expenses	599,411	-	-	9,225	-	99,140	-	707,776
Depreciation and amortisation	995,574	36,540	17,159	31,424	-	6,600	-	1,087,297
Provision for loss allowance								
— trade receivables and contract assets	10,401	-	-	1,411	-	-	-	11,812
Write-down of inventories	-	-	7,051	-	-	-	-	7,051
Reportable segment assets	35,694,994	394,711	949,719	3,283,809	38,584,490	5,735,938	(2,317,478)	82,326,183
Reportable segment liabilities	24,211,955	26,272	1,573,257	2,303,820	-	7,351,725	(2,317,478)	33,149,551

(ii) *Reconciliations of reportable segment revenues, profit or loss, assets and liabilities*

	2025 RMB'000	2024 RMB'000
Revenue		
Reportable segment revenue	6,549,273	6,272,584
Elimination of inter-segment revenue	(1,563)	(1,847)
Consolidated revenue (<i>note 3(a)</i>)	<u>6,547,710</u>	<u>6,270,737</u>
Profit before taxation		
Reportable segment profit	<u>2,455,622</u>	<u>2,249,669</u>
Consolidated profit before taxation	<u>2,455,622</u>	<u>2,249,669</u>

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Assets		
Reportable segment assets	88,686,330	84,643,661
Elimination of inter-segment receivables	(4,404,080)	(2,317,478)
Consolidated total assets	<u>84,282,250</u>	<u>82,326,183</u>

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Liabilities		
Reportable segment liabilities	37,813,922	35,467,029
Elimination of inter-segment payables	(4,404,080)	(2,317,478)
Consolidated total liabilities	<u>33,409,842</u>	<u>33,149,551</u>

(iii) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, investment property, right-of-use assets, intangible assets, goodwill, interests in associates, non-current portion of contract assets and trade and other receivables (“**specified non-current assets**”). The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment, investment property and right-of-use assets, the location of the operation to which they are allocated, in the case of intangible assets, goodwill, non-current portion of contract assets and trade and other receivables, and the location of operations, in the case of interests in associates.

Revenue from external customers

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Chinese Mainland	6,295,532	5,963,636
Asia-Pacific (except Chinese Mainland)	<u>252,178</u>	<u>307,101</u>
	<u>6,547,710</u>	<u>6,270,737</u>

Specified non-current assets

	2025	2024
	RMB'000	RMB'000
Chinese Mainland	74,695,924	73,843,983
Asia-Pacific (except Chinese Mainland)	362,575	398,845
	<u>75,058,499</u>	<u>74,242,828</u>

4 OTHER NET INCOME

	2025	2024
	RMB'000	RMB'000
Interest income on bank deposits and cash at bank	38,619	41,425
Government grants (i)	109,140	90,046
Value-added tax refund (ii)	46,584	24,950
Net exchange gain	172	433
Net realised and unrealised (loss)/gain on financial assets measured at FVPL	(2,238)	52,262
Others	(1,781)	(797)
	<u>190,496</u>	<u>208,319</u>

- (i) Government grants mainly represented subsidies received from the local government authorities for encouraging the Group's development in the waste-to-energy segment, new building materials segment and new energy segment in the respective PRC cities.
- (ii) Value-added tax refund was received during the year ended 31 December 2025 in relation to certain waste-to-energy projects projects of the Group in the PRC. There are no unfulfilled conditions and other contingencies attached to the receipts of such tax refund. There is no assurance that the Group will continue to receive such tax refund in the future.

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on bank loans	654,003	792,604
Interest on lease liabilities	1,461	1,734
Interest on unsecured MTN	<u>107,828</u>	<u>81,844</u>
Total interest expense on financial liabilities not at fair value through profit or loss	763,292	876,182
Less: interest expense capitalised into construction in progress and intangible assets*	<u>(105,975)</u>	<u>(168,406)</u>
	<u><u>657,317</u></u>	<u><u>707,776</u></u>

* The borrowing costs was capitalised at rates of 2.40%–3.30% per annum for 2025 (2024: 2.00%–3.30%).

(b) Staff costs:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Salaries, wages and other benefits	875,084	771,687
Contributions to defined contribution plans (i)	<u>86,613</u>	<u>83,569</u>
	<u><u>961,697</u></u>	<u><u>855,256</u></u>

- (i) Employees of the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

During the financial year ended 31 December 2025, no contribution was forfeited (by the Group on behalf of its employees who leave the scheme prior to vesting fully in such contributions) under the defined contribution retirement scheme which may be used by the Group to reduce the existing level of contributions. Accordingly, no forfeited contribution was utilised in the course of the year ended 31 December 2025, and as at 31 December 2025, there was no forfeited contribution available to reduce the Group's existing level of contributions to the defined contribution retirement scheme.

The Group has no other material obligation for the payment of retirement benefits associated with the scheme beyond the annual contributions described above.

(c) **Other items:**

	2025	2024
	RMB'000	RMB'000
Cost of inventories #	1,531,616	794,486
Cost of services provided #	2,751,220	3,293,784
Depreciation of owned property, plant and equipment #	331,186	303,206
Depreciation of right-of-use assets #	53,368	39,510
Amortisation of intangible assets #	824,353	744,581
Research and development costs	61,974	46,463
Loss allowance for trade receivables and contract assets	13,787	11,812
Impairment losses on property, plant and equipment	–	2,042
Impairment losses on the assets classified as held for sale	48,947	–
(Reversal)/write-down of inventories	(7,051)	7,051
Short-term lease payments not included in the measurement of lease liabilities	5,579	5,041
Auditors' remuneration	2,528	2,528

Cost of inventories and cost of services include RMB1,633,467,000 (2024: RMB1,497,836,000) relating to staff costs, depreciation of owned property, plant and equipment, depreciation of right-of-use assets and amortisation of intangible assets, which amount is also included in the respective total amounts disclosed separately above or in note 5(b) for each of these types of expenses.

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(a) Taxation in the consolidated statement of profit and loss represents:

	2025 RMB'000	2024 RMB'000
Current tax — Hong Kong Profits Tax		
Provision for the year	—	—
Current tax — PRC income tax		
Provision for the year	193,146	119,290
Over provision in respect of prior years	(13,091)	(31,195)
	180,055	88,095
Deferred tax:		
Origination and reversal of temporary differences	(24,610)	42,473
	155,445	130,568

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.
- (ii) The provision for Hong Kong Profits Tax for 2025 is calculated at the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax was calculated at the same basis in 2024. The payments of dividends by Hong Kong companies are not subject to any Hong Kong withholding tax.
- (iii) The PRC income tax law and its relevant regulations also impose a withholding tax at 10%, unless reduced by a tax treaty/arrangement, on dividend distributions made out of the PRC from earnings accumulated from 1 January 2008. Undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax.

Under the Arrangement between the Chinese Mainland and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, a qualified Hong Kong tax resident which is the “beneficial owner” and holds 25% or more of the equity interest in a PRC-resident enterprise is entitled to a reduced withholding tax rate of 5% on dividends received.

Since the Group can control the quantum and timing of distribution of profits of the Group’s PRC subsidiaries, deferred tax liabilities are only provided to the extent that such profits are expected to be distributed in the foreseeable future.

As at 31 December 2025, none of deferred tax liabilities (2024: none) have been recognised in respect of the withholding tax payable on the retained profits of the Group’s PRC subsidiaries which the directors expect to distribute outside the Chinese Mainland in the foreseeable future.

- (iv) The provision for PRC income tax is based on a statutory rate of 25% of the assessable income of the Company's Chinese Mainland subsidiaries as determined in accordance with the relevant income tax rules and regulations of the PRC.

Pursuant to the PRC income tax law, all of the Company's Chinese Mainland subsidiaries are liable to PRC income tax at a rate of 25% except for certain entities entitled to a preferential income tax rate of 15% as they are certified as "High and New Technology Enterprise" ("HNTE"). According to Notice No. 24 issued by the State Administration of Taxation on 19 June 2017, if an entity is certified as an HNTE, it is entitled to a preferential income tax rate of 15% during the certified period.

- (v) Pursuant to Notice No.23 issued by the State Administration of Taxation on 23 April 2020 and relevant local tax authorities' notices, certain subsidiaries of the Group are entitled to a preferential income tax rate of 15% as qualifying companies located in western areas in the PRC.
- (vi) Pursuant to the PRC Enterprise Income Tax Law Implementing Regulations issued by State Council of the PRC, certain subsidiaries engaged in waste incineration solutions are eligible for a preferential tax treatment of income tax exemption for the first three years starting from which revenue is generated and 50% income tax reduction for the next three years.

(b) Reconciliation between income tax expense and accounting profit at applicable tax rates:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit before taxation	<u>2,455,622</u>	<u>2,249,669</u>
Notional tax on profit before taxation, calculated at the rates applicable to profit in the tax jurisdictions concerned	711,751	634,156
PRC tax concessions	(320,821)	(304,032)
Share of profits of associates	(395,126)	(328,919)
Tax effect of unused tax losses not recognised	154,644	126,806
Tax effect of tax losses utilised from previous years	(14,912)	(6,248)
PRC dividend withholding tax	33,000	40,000
Over provision in respect of prior years	<u>(13,091)</u>	<u>(31,195)</u>
	<u>155,445</u>	<u>130,568</u>

(c) **Pillar Two income taxes**

The Company is part of a multinational enterprise group which is subject to the Global Anti-Base Erosion Model Rules (“**Pillar Two model rules**”) published by the Organisation for Economic Co-operation and Development.

From 1 January 2025, the Group is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including the Chinese Mainland. The Group has assessed its potential exposure based on the information available regarding the financial performance of the Group in the current year, and concluded there is no material financial impact of Pillar Two income taxes.

7 EARNINGS PER SHARE

(a) **Basic earnings per share**

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB2,245,142,000 (2024: RMB2,019,557,000) and the weighted average of 1,700,850,000 ordinary shares (2024: 1,728,552,000 ordinary shares) in issue during the year, as adjusted to reflect the effect of shares repurchased and the weighted average number of shares held by Conch Holdings through reciprocal shareholding.

(b) **Diluted earnings per share**

Diluted earnings per share for the year ended 31 December 2025 and 2024 is the same as the basic earnings per share as there were no potentially dilutive ordinary shares issued.

8 DIVIDENDS

(i) Dividends payable to equity shareholders of the Company attributable to the year

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interim dividend declared and paid of HKD0.10 per ordinary share (2024: Nil)	164,300	–
Final dividend proposed after the end of the reporting period of HKD0.30 per ordinary share (2024: HKD0.30 per ordinary share)	<u>473,712</u>	<u>491,297</u>
	<u>638,012</u>	<u>491,297</u>

Pursuant to a resolution passed at the Board meeting on 25 March 2026, a final dividend of HKD0.30 (2024: HKD0.30) per ordinary share totalling HKD537,612,000, equivalent to approximately RMB473,712,000 (2024: HKD537,612,000, equivalent to approximately RMB497,829,000), was proposed for shareholders' approval. The dividend has not been provided for in the consolidated financial statements for the year ended 31 December 2025.

On 4 September 2024, the Board approved the declaration and payment of a special dividend of HKD0.10 per ordinary share of the Company to the shareholders of the Company, amounting to a total dividend payment of approximately HKD179,200,000 (equivalent to RMB163,971,000). The special dividend was fully paid on 30 November 2024.

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year, of HKD0.30 per ordinary share (2024: HKD0.20 per ordinary share)	<u>491,297</u>	<u>331,528</u>

9 INTERESTS IN ASSOCIATES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Share of net assets	<u>39,829,502</u>	<u>38,584,490</u>

The particulars of the material associate are as follows:

Name of associate	Form of business structure	Place of incorporation and operation	Particulars of issued and paid up capital	Proportion of ownership interest Group's effective interest	Principal activities
Conch Holdings (安徽海螺集團有限責任公司)	Incorporated as limited liability company	The PRC	RMB800,000,000	49.0%	Investment holding

The particulars of Conch Holdings' investment holdings as at 31 December 2025 are as follows:

Name of associate	Form of business structure	Place of incorporation and operation	Particulars of issued and paid up capital	Ownership interest held by Conch Holdings	Principal activities
Anhui Conch Cement Co., Ltd. ("Conch Cement") (安徽海螺水泥股份有限公司)	Incorporated as joint stock limited company	The PRC	5,299,302,579 ordinary shares of RMB1 each	36.40%	Manufacture and sale of cement related products
Conch (Anhui) Energy-saving and Environmental Protection New Materials Co. Ltd. ("Conch New Materials") (海螺(安徽)节能环保新材料股份有限公司)	Incorporated as joint stock limited company	The PRC	441,000,000 ordinary shares of RMB1 each	45.69%	Manufacture of new chemical and building materials
Anhui Conch Building Materials Design and Research Institute Co., Ltd. ("Conch Design Institute") (安徽海螺建材設計研究院有限責任公司)	Incorporated as limited liability company	The PRC	RMB150,000,000	100%	Design and contract cement/light steel construction
Yingde Conch International Hotel Co., Ltd. (英德海螺國際大酒店有限公司)	Incorporated as limited liability company	The PRC	RMB63,800,000	100%	Hotel service
Wuhu Conch International Hotel Co., Ltd. (蕪湖海螺國際大酒店有限公司)	Incorporated as limited liability company	The PRC	RMB268,500,000	100%	Hotel service
Anhui Conch Investment Co., Ltd. ("Conch Investment") (安徽海螺科創材料有限責任公司)	Incorporated as limited liability company	The PRC	RMB1,000,000,000	100%	Investment holding
Wuhu Conch Trading Co., Ltd. (蕪湖海螺貿易有限公司)	Incorporated as limited liability company	The PRC	RMB500,000,000	100%	Trading
Anhui International Trade Group Holding Co., Ltd. (安徽國貿集團控股有限公司)	Incorporated as limited liability company	The PRC	RMB661,111,111	55%	Investment holding and trading
Anhui Conch Industry Technology Research Institute Co., Ltd. (安徽海螺產業技術研究院有限公司)	Incorporated as limited liability company	The PRC	RMB600,000,000	100%	Technology Research Institute
Anhui Conch Capital Management Co., Ltd (安徽海螺資本管理有限公司)	Incorporated as limited liability company	The PRC	RMB2,000,000,000/ RMB500,000,000	100%	Asset-management services
Anhui Conch Private Fund Management Co., Ltd (安徽海螺私募基金管理有限公司)	Incorporated as limited liability company	The PRC	RMB50,000,000	100%	Asset-management services

10 CONTRACT ASSETS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Non-current assets		
Service concession assets (i)	3,072,723	3,848,832
Less: Impairment	(1,928)	(4,474)
	<u>3,070,795</u>	<u>3,844,358</u>
Current assets		
Service concession assets (i)	45,313	47,913
Unbilled government on-grid tariff subsidy (ii)	1,086,150	854,032
Other contract assets (iii)	163,198	156,794
Less: Impairment	(391)	(334)
	<u>1,294,270</u>	<u>1,058,405</u>
	<u>4,365,065</u>	<u>4,902,763</u>
Contract assets arising from performance under construction contracts in connection with service concession arrangements, which are included in “Intangible assets”	<u>400,389</u>	<u>426,101</u>

- (i) The service concession assets bear interest at rates ranging from 6.01% to 9.41% (31 December 2024: 6.01% to 9.41%) per annum as at 31 December 2025 and relate to certain BOT arrangements of the Group. The amounts are not yet due for payment and will be settled during the operating periods of the arrangements. Included in “Service concession assets” are amounts of RMB5,817,000 (31 December 2024: RMB70,869,000) relating to BOT arrangements which are in construction phase.
- (ii) The balance represented the government on-grid tariff subsidy for certain projects which will be billed and settled upon the successful completion of government administrative procedures pursuant to notices jointly issued by the Ministry of Finance, the National Development and Reform Commission and the National Energy Administration.
- (iii) The Group agrees to a retention amount for 10% of the contract value for certain of its energy saving equipment sales contracts. This amount is included in contract assets until the end of the retention period. The balances are classified as current as they are expected to be recovered within the Group’s normal operating cycle.

11 TRADE AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	3,243,857	2,724,988
Less: loss allowance	<u>(151,375)</u>	<u>(135,101)</u>
	3,092,482	2,589,887
Bills receivable, carried at amortised cost	229,809	64,994
Bills receivable, measured at FVOCI	95,013	15,979
Deposits and prepayments	266,145	121,885
Other receivables	1,781,589	2,064,729
Interest receivables	<u>25,188</u>	<u>10,480</u>
Amounts due from third parties	5,490,226	4,867,954
Amounts due from related parties	<u>269,873</u>	<u>273,915</u>
Total trade and other receivables	<u>5,760,099</u>	<u>5,141,869</u>
Less: non-current portion	<u>(1,242,701)</u>	<u>(1,540,209)</u>
Current portion of trade and other receivables	<u><u>4,517,398</u></u>	<u><u>3,601,660</u></u>

All of the current portion of trade and other receivables are expected to be recovered within one year. As at 31 December 2025, none of the trade receivables (2024: none) was pledged as collateral for Group's bank loans.

(a) Ageing analysis

As of the end of the reporting periods, the ageing analysis of trade receivables and bills receivable measured at amortised cost (which are included in trade and other receivables) based on the past due aging and net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current	2,299,447	1,610,220
Less than 1 year	575,852	595,722
1 to 2 years	300,815	331,602
2 to 3 years	120,053	89,679
Over 3 years past due	<u>26,124</u>	<u>27,658</u>
	<u><u>3,322,291</u></u>	<u><u>2,654,881</u></u>

The amounts due from related parties are all aged within 1 year.

(b) Endorsed bills receivable

As at 31 December 2025, the Group endorsed undue bills receivable of RMB430,496,000 (2024: RMB171,942,000) to its suppliers to settle trade payables of the same amount and derecognised these bills receivable and payables to suppliers in their entirety as the Group's management considered that the risks and rewards of ownership of these undue bills have been substantially transferred. The Group's continuous involvement in these derecognised undue bills receivable is limited to when the issuance banks of these undue bills are unable to settle the amounts to the holders of these bills. As at 31 December 2025, the maximum exposure to loss from its continuous involvement represents the amount of bills receivable of RMB430,496,000 (2024: RMB171,942,000) which the Group endorsed to its suppliers. These undue bills receivable were due within 6 months.

As at 31 December 2025, the Group endorsed undue bills receivable of RMB195,701,000 (2024: RMB59,028,000) to its suppliers to settle the trade payables and did not derecognise these bills receivable and payables to suppliers as the Group's management believed that the credit risks and ownership had not substantially transferred. All these undue bills receivable were due within 6 months.

(c) Bills receivable measured at FVOCI

Due to the requirement of cash management, the Group endorsed part of the bills receivable to the suppliers. The business model of bills receivable management is for the purpose of both collecting contractual cash flow and sale. Therefore, the Group classified bills receivable of RMB95,013,000 (2024: RMB15,979,000) as bills receivable carried at fair value and whose changes are included in other comprehensive income.

12 TRADE AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	2,104,663	2,656,932
Bills payable	<u>235,322</u>	<u>191,979</u>
	2,339,985	2,848,911
Other payables and accruals	<u>1,294,423</u>	<u>1,229,406</u>
Amounts due to third parties	3,634,408	4,078,317
Dividends payable to the then-shareholders of the acquired subsidiaries	8,464	8,464
Dividends payable to non-controlling interests	83	17,979
Amounts due to related parties	<u>120,788</u>	<u>138,597</u>
Trade and other payables	<u>3,763,743</u>	<u>4,243,357</u>

An ageing analysis of trade and bills payables of the Group, based on the invoice date, is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	2,102,050	2,763,528
1 year to 2 years	195,594	61,207
2 years to 3 years	32,592	22,255
Over 3 years	9,749	1,921
	<u>2,339,985</u>	<u>2,848,911</u>

The amounts due to related parties are all aged within one year, and are unsecured, non-interest bearing and repayable on demand.

13 UNSECURED MEDIUM-TERM NOTES

The Company received the approval of registration from National Association of Financial Market Institutional Investors (Zhong shi xie zhu [2023] GN1) for issuing unsecured medium-term notes in the aggregate amount of not more than RMB4 billion with a validity period of two years from 18 January 2023, the completion of registration date.

On 20 March 2023, the Company publicly issued the first tranche of unsecured medium-term notes in inter-bank of the PRC, with an aggregate principal amount of RMB1.2 billion at an interest rate of 2.99% per annum for a term of three years. On 6 June 2023, the Company publicly issued the second tranche of unsecured medium-term notes in inter-bank of the PRC, with an aggregate principal amount of RMB1.5 billion at an interest rate of 3.10% per annum for a term of three years.

On 13 January 2025, the Company publicly issued the first tranche of 2025 green medium-term notes (Bond Connect) (綠色中期票據(債券通)) in the PRC, with an aggregate principal amount of RMB1.3 billion for a term of five years at a coupon rate of 1.93% without any guarantee.

MANAGEMENT DISCUSSION AND ANALYSIS

MACRO ENVIRONMENT

In 2025, facing profound and complex changes in the domestic and international landscape, China's economy pressed forward against the odds, developing towards new drivers and high quality, demonstrating strong resilience and vitality, with full-year GDP growing by 5% year-on-year. In 2025, the government continued to deeply promote energy conservation and carbon reduction transformations in key industries, formulated an outline for an energy power construction plan, accelerated the building of a new energy system, and expanded the application of green electricity. As a conglomerate providing energy-saving and environmental protection solutions, the Group has been deeply engaged in the main business of environmental protection, focused on improving the quality and upgrading of the industry, actively explored new paths for the circular economy, and served the national ecological civilization construction and the development of social livelihood, so as to implement and practise the concept of green and sustainable development with solid actions.

During the Reporting Period, the Group achieved revenue of RMB6,548 million, which increased by 4.42% year-on-year. Net profit attributable to equity shareholders of the Group amounted to RMB2,245 million, which increased by 11.17% year-on-year; net profit (excluding share of profits of associates) of our principal activities attributable to equity shareholders of the Group amounted to RMB724 million, which increased by 2.95% as compared with the corresponding period of the previous year.

BUSINESS REVIEW

In 2025, under the strong leadership of the Board, the Group continued to implement the general keynote of “focusing on its main business, deepening potential and improving quality and efficiency”, and adhere to the business strategy of improving quality and efficiency in its main business of environmental protection and facilitating synergistic value creation across multiple industrial segments. The municipal waste treatment industry achieved significant operational results, with breakthroughs in both operational efficiency and business profitability. Waste intake volume and grid-connected power volume both achieved growth, and diversified business operations advanced in parallel, continuously enhancing the value increment of the main business. The new energy materials industry consolidated its internal strengths, implemented cost reduction and efficiency enhancement measures, with capacity utilization higher than the industry average. The lithium battery resource recycling and utilisation industry focused on R&D and optimization of processes and technologies. Port logistics firmly grasped core cargo sources, leading to a significant rebound in throughput volumes. The overall business development of the Group has been stable and positive, which solidifies the foundation for achieving the full-year operational targets.

As at the end of the Reporting Period, the Group promoted and signed contracts for 128 projects in 23 provinces, cities and autonomous regions in China as well as overseas, including 100 projects for grate furnace power generation, 2 projects for fly ash treatment, 2 projects for independent kitchen waste treatment, 7 projects for waste treatment by cement kilns, 1 project for waste logistics service, 2 projects for new energy, 11 projects for lithium battery recycling comprehensive utilisation, 2 projects for new building materials, and 1 project for port logistics.

During the Reporting Period, the Group received a total of approximately 19,349 thousand tonnes of municipal waste, representing a year-on-year increase of 3%. Approximately 16,467 thousand tonnes of municipal waste was treated, representing a year-on-year increase of 2%.

Municipal Waste Treatment

1. Grate Furnace Power Generation

During the Reporting Period, the Group endeavored to enhance the operational efficiency of its projects by implementing professional and refined management and encouraging project companies to expand sources of waste and enhance the electricity generation level of waste-to-energy projects and the on-grid electricity, so as to ensure high-quality operation. The Group seeks to enhance its operating efficiency through the continuous development of various business operations. During the Reporting Period, the Group's 2 waste power generation projects in Yuanyang, Yunnan Province and Jingshan, Hubei Province have realised grid-connected power generation. As at the end of the Reporting Period, the Group has operated 88 projects, which included 29 projects involving the business of external sales of steam; 40 projects involving the business of collaborative disposal of sludge, wine lees and so forth; and 31 projects involving the business of treatment of effluent such as external leachate. At the same time, the Group has been active in promoting price increase of waste disposal fees and furnace slag, and has completed the price increase for waste disposal fees in 8 projects and furnace slag in 74 projects during the Reporting Period, which have achieved remarkable results.

During the Reporting Period, for the grate furnace power generation segment, the Group received a total of approximately 18,827 thousand tonnes of municipal waste, representing a year-on-year increase of 3%; approximately 15,988 thousand tonnes of municipal waste were treated, representing a year-on-year increase of 2%; on-grid electricity was approximately 5.42 billion kWh, representing a year-on-year increase of 6%; the average on-grid electricity per tonne was approximately 339 kWh, representing a year-on-year increase of 13 kWh/tonne; and steam sold amounted to approximately 698,000 tonnes, representing a year-on-year increase of 85%. Approximately 900,000 green electricity certificates (the “**Green Electricity Certificate(s)**”) were sold, representing a year-on-year increase of approximately 412,000.

As at the end of the Reporting Period, details of the Group's grate furnace power generation projects are set out in the following table:

No.	Status of Construction	Project Location	Treatment Capacity	Completion Date	Whether it is included in the national financial subsidy list
1	In operation	Jinzhai, Anhui Province	2×110,000 tonnes/year (2×300 tonnes/day)	January 2016	Phases I and II have been on list
2		Tongren, Guizhou Province	2×110,000 tonnes/year (2×300 tonnes/day)	July 2017	On list
3		Yanshan, Yunnan Province (Phase 1)	110,000 tonnes/year (300 tonnes/day)	August 2017	On list
4		Huoqiu, Anhui Province	2×140,000 tonnes/year (2×400 tonnes/day)	January 2018	Phases I and II have been on list
5		Li County, Hunan Province	2×140,000 tonnes/year (2×400 tonnes/day)	April 2018	On list
6		Songming, Yunnan Province	290,000 tonnes/year (800 tonnes/day)	January 2019	On list
7		Shanggao, Jiangxi Province	140,000 tonnes/year (400 tonnes/day)	February 2019	On list
8		Yiyang, Jiangxi Province	2×110,000 tonnes/year (2×300 tonnes/day)	June 2019	On list
9		Shache, Xinjiang Region	2×110,000 tonnes/year (2×300 tonnes/day)	June 2019	On list
10		Sishui, Shandong Province	140,000 tonnes/year (400 tonnes/day)	June 2019	On list
11		Bole, Xinjiang Region	110,000 tonnes/year (300 tonnes/day)	July 2019	On list
12		Yang County, Shaanxi Province	110,000 tonnes/year (300 tonnes/day)	October 2019	On list
13		Baoshan, Yunnan Province	2×140,000 tonnes/year (2×400 tonnes/day)	January 2020	On list
14		Fuquan, Guizhou Province	2×110,000 tonnes/year (2×300 tonnes/day)	January 2020	Application in progress
15		Luijiang, Anhui Province	2×180,000 tonnes/year (2×500 tonnes/day)	January 2020	Phase I has been on list
16		Xianyang, Shaanxi Province	2×270,000 tonnes/year (2×750 tonnes/day)	July 2020	On list
17		Xishui, Guizhou Province (Phase 1)	140,000 tonnes/year (400 tonnes/day)	July 2020	On list
18		Shizhu, Chongqing City	110,000 tonnes/year (300 tonnes/day)	August 2020	On list
19		Huoshan, Anhui Province	140,000 tonnes/year (400 tonnes/day)	August 2020	On list
20		Tengchong, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	November 2020	On list
21		Ningguo, Anhui Province	140,000 tonnes/year (400 tonnes/day)	November 2020	Application in progress
22		Dexing, Jiangxi Province	140,000 tonnes/year (400 tonnes/day)	November 2020	Application in progress
23		Luxi, Yunnan Province	2×110,000 tonnes/year (2×300 tonnes/day)	January 2021	Application in progress
24		Mangshi, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	March 2021	Application in progress
25		Luoping, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	March 2021	Application in progress
26		Zongyang, Anhui Province (Phase 1)	140,000 tonnes/year (400 tonnes/day)	April 2021	Application in progress
27		Shahe, Hebei Province	2×180,000 tonnes/year (2×500 tonnes/day)	April 2021	Application in progress
28		Shimen, Hunan Province	180,000 tonnes/year (500 tonnes/day)	May 2021	Application in progress
29		Jiuquan, Gansu Province	180,000 tonnes/year (500 tonnes/day)	June 2021	Application in progress
30		Manzhouli, Inner Mongolia Region	140,000 tonnes/year (400 tonnes/day)	June 2021	Application in progress

No.	Status of Construction	Project Location	Treatment Capacity	Completion Date	Whether it is included in the national financial subsidy list
31	In operation	Hanshou, Hunan Province	140,000 tonnes/year (400 tonnes/day)	June 2021	Application in progress
32		Suiyang, Guizhou Province	140,000 tonnes/year (400 tonnes/day)	June 2021	Application in progress
33		Panshi, Jilin Province	140,000 tonnes/year (400 tonnes/day)	July 2021	Application in progress
34		Pingguo, Guangxi Region	2×140,000 tonnes/year (2×400 tonnes/day)	July 2021	Application in progress
35		Tongchuan, Shaanxi Province	180,000 tonnes/year (500 tonnes/day)	August 2021	Application in progress
36		Zhenxiong, Yunnan Province (Phase 1)	180,000 tonnes/year (500 tonnes/day)	September 2021	Application in progress
37		Shuangfeng, Hunan Province	180,000 tonnes/year (500 tonnes/day)	October 2021	Application in progress
38		Hejin, Shanxi Province	180,000 tonnes/year (500 tonnes/day)	October 2021	Application in progress
39		Pingliang, Gansu Province	180,000 tonnes/year (500 tonnes/day)	November 2021	Application in progress
40		Binzhou, Shaanxi Province	110,000 tonnes/year (300 tonnes/day)	November 2021	Application in progress
41		Tongzi, Guizhou Province	180,000 tonnes/year (500 tonnes/day)	November 2021	Application in progress
42		Wuwei, Anhui Province	180,000 tonnes/year (500 tonnes/day)	December 2021	Application in progress
43		Fugou, Henan Province	220,000 tonnes/year (600 tonnes/day)	April 2022	Application in progress
44		Du'an, Guangxi Region	140,000 tonnes/year (400 tonnes/day)	June 2022	Application in progress
45		Luzhai, Guangxi Region	140,000 tonnes/year (400 tonnes/day)	June 2022	Application in progress
46		Suzhou, Anhui Province	180,000 tonnes/year (500 tonnes/day)	August 2022	Application in progress
47		Longkou, Shandong Province	220,000 tonnes/year (600 tonnes/day)	August 2022	Application in progress
48		Zhangjiakou, Hebei Province	180,000 tonnes/year (500 tonnes/day)	September 2022	Application in progress
49		Fengning, Hebei Province	110,000 tonnes/year (300 tonnes/day)	October 2022	Application in progress
50		He County, Anhui Province	220,000 tonnes/year (600 tonnes/day)	October 2022	Application in progress
51		Naiman Banner, Inner Mongolia Region	110,000 tonnes/year (300 tonnes/day)	November 2022	Application in progress
52		Weichang, Hebei Province	110,000 tonnes/year (300 tonnes/day)	February 2023	Application in progress
53		Shucheng, Anhui Province	140,000 tonnes/year (400 tonnes/day)	March 2023	Application in progress
54		Shulan, Jilin Province	140,000 tonnes/year (400 tonnes/day)	April 2023	Application in progress
55		Xichou, Yunnan Province	180,000 tonnes/year (500 tonnes/day)	June 2023	Application in progress
56		Taonan, Jilin Province	140,000 tonnes/year (400 tonnes/day)	June 2023	Application in progress
57		Meitan, Guizhou Province	140,000 tonnes/year (400 tonnes/day)	July 2023	/
58		Jinning, Yunnan Province	140,000 tonnes/year (400 tonnes/day)	July 2023	/
59		Danjiangkou, Hubei Province	110,000 tonnes/year (300 tonnes/day)	September 2023	/
60		Bac Ninh, Vietnam	110,000 tonnes/year (300 tonnes/day)	November 2023	/

No.	Status of Construction	Project Location	Treatment Capacity	Completion Date	Whether it is included in the national financial subsidy list
61	In operation	Liangping, Chongqing City	140,000 tonnes/year (400 tonnes/day)	January 2024	/
62		Qingzhen, Guizhou Province	180,000 tonnes/year (500 tonnes/day)	January 2024	/
63		Qiyang, Hunan Province	180,000 tonnes/year (500 tonnes/day)	January 2024	/
64		Dongzhi, Anhui Province	140,000 tonnes/year (400 tonnes/day)	February 2024	/
65		Tai'an, Liaoning Province	110,000 tonnes/year (300 tonnes/day)	July 2024	/
66		Lufeng, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	July 2024	/
67		Haidong, Qinghai Province	180,000 tonnes/year (500 tonnes/day)	August 2024	/
68		Gengma, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	August 2024	/
69		Wushan, Chongqing City	130,000 tonnes/year (350 tonnes/day)	September 2024	/
70		Jianshui, Yunnan Province	180,000 tonnes/year (500 tonnes/day)	September 2024	/
71		Zhuanglang, Gansu Province	140,000 tonnes/year (400 tonnes/day)	November 2024	/
72		Huayin, Shaanxi Province	140,000 tonnes/year (400 tonnes/day)	November 2024	/
73		Yongde, Yunnan Province	180,000 tonnes/year (500 tonnes/day)	November 2024	/
74		Jingshan, Hubei Province	130,000 tonnes/year (350 tonnes/day)	April 2025	/
75		Yuanyang, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	August 2025	/
76	In operation (project acquired)	Luanzhou, Hebei Province	180,000 tonnes/year (500 tonnes/day)	January 2021	Application in progress
77		Guantao, Hebei Province	180,000 tonnes/year (500 tonnes/day)	January 2021	Application in progress
78		Guan County, Shandong Province	220,000 tonnes/year (600 tonnes/day)	March 2020	On list
79		Chiping, Shandong Province	220,000 tonnes/year (600 tonnes/day)	June 2018	On list
80		Jinxiang, Shandong Province	290,000 tonnes/year (800 tonnes/day)	October 2019	On list
81		Chenzhou, Hunan Province	450,000 tonnes/year (1,250 tonnes/day)	July 2015	Phases I and II have been on list
82		Baotou, Inner Mongolia Region	490,000 tonnes/year (1,350 tonnes/day)	December 2012	On list
83		Hohhot, Inner Mongolia Region	630,000 tonnes/year (1,750 tonnes/day)	November 2017	Phases I has been on list
84		Jilin, Jilin Province	540,000 tonnes/year (1,500 tonnes/day)	January 2009	On list
85		Bijie, Guizhou Province	290,000 tonnes/year (800 tonnes/day)	April 2021	Application in progress
86		Jingdezhen, Jiangxi Province	360,000 tonnes/year (1,000 tonnes/day)	November 2016	On list
87		Liaocheng, Shandong Province	360,000 tonnes/year (1,000 tonnes/day)	December 2012	On list
88		Gaotang, Shandong Province	220,000 tonnes/year (600 tonnes/day)	May 2020	On list
Sub-total:			17,350,000 tonnes/year (48,250 tonnes/day)		

No.	Status of Construction	Project Location	Treatment Capacity	Expected Completion Date
89	Under construction	Nandan, Guangxi Region	110,000 tonnes/year (300 tonnes/day)	April 2026
90		Yun County, Yunnan Province	180,000 tonnes/year (500 tonnes/day)	May 2026
91		Yingjiang, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	July 2027
92		Daguan, Yunnan Province	140,000 tonnes/year (400 tonnes/day)	July 2027
Sub-total:			540,000 tonnes/year (1,500 tonnes/day)	
93	Under approval and planning	Susong, Anhui Province	140,000 tonnes/year (400 tonnes/day)	/
94		Hunyuan, Shanxi Province	180,000 tonnes/year (500 tonnes/day)	/
Sub-total:			320,000 tonnes/year (900 tonnes/day)	
95	Reserve project	Yan Shan, Yunnan Province (Phase 2)	110,000 tonnes/year (300 tonnes/day)	/
96		Zhenxiong, Yunnan Province (Phase 2)	180,000 tonnes/year (500 tonnes/day)	/
97		Xishui, Guizhou Province (Phase 2)	140,000 tonnes/year (400 tonnes/day)	/
98		Zongyang, Anhui Province (Phase 2)	140,000 tonnes/year (400 tonnes/day)	/
99		Taiyuan, Vietnam	180,000 tonnes/year (500 tonnes/day)	/
100		Xuan Son, Vietnam	2×180,000 tonnes/year (2×500 tonnes/day)	/
Sub-total:			1,110,000 tonnes/year (3,100 tonnes/day)	
Total:			19,320,000 tonnes/year (53,750 tonnes/day)	

Note: Annual treatment capacity of the project = Daily treatment capacity of the project multiplied by 360 days

As at the end of the Reporting Period, a total of 32 of the Group's grate furnace power generation projects were included in the list of national subsidised renewable energy power generation projects.

2. Kitchen Waste Treatment

During the Reporting Period, the Group has successfully commenced operation at a kitchen waste treatment project in Naiman Banner, Inner Mongolia Region. As at the end of the Reporting Period, a total of 21 of the Group's kitchen waste treatment projects were in operation, of which the projects in Wuhu, Anhui Province and Lingbi, Anhui Province are run by independently operated project companies, with a total treatment capacity of approximately 468,000 tonnes/year (approximately 1,225 tonnes/day). During the Reporting Period, a total of approximately 234,000 tonnes of kitchen waste was received and treated, representing a year-on-year increase of 33% and approximately 3,995 tonnes of grease was sold, representing a year-on-year increase of 45%.

As at the end of the Reporting Period, details of the Group's kitchen waste treatment projects are set out in the following table:

No.	Status of Construction	Project Location	Treatment Capacity
1	In operation	Suzhou, Anhui Province	70,000 tonnes/year (200 tonnes/day)
2		Wuhu, Anhui Province	70,000 tonnes/year (200 tonnes/day)
3		Lingbi, Anhui Province	40,000 tonnes/year (100 tonnes/day)
4		Liangping, Chongqing City	40,000 tonnes/year (100 tonnes/day)
5		Pingliang, Gansu Province	20,000 tonnes/year (50 tonnes/day)
6		Songming, Yunnan Province	20,000 tonnes/year (50 tonnes/day)
7		Qiyang, Hunan Province	20,000 tonnes/year (50 tonnes/day)
8		Pingguo, Guangxi Region	20,000 tonnes/year (50 tonnes/day)
9		Hejin, Shanxi Province	20,000 tonnes/year (45 tonnes/day)
10		Jinzhai, Anhui Province	20,000 tonnes/year (45 tonnes/day)
11		Shanggao, Jiangxi Province	20,000 tonnes/year (45 tonnes/day)
12		Shucheng, Anhui Province	20,000 tonnes/year (45 tonnes/day)
13		Weining, Guizhou Province	20,000 tonnes/year (45 tonnes/day)
14		Longkou, Shandong Province	10,000 tonnes/year (30 tonnes/day)
15		Fugou, Henan Province	10,000 tonnes/year (30 tonnes/day)
16		Dexing, Jiangxi Province	10,000 tonnes/year (30 tonnes/day)
17		Jinning, Yunnan Province	10,000 tonnes/year (30 tonnes/day)
18		Fengning, Hebei Province	7,000 tonnes/year (20 tonnes/day)
19		Weichang, Hebei Province	7,000 tonnes/year (20 tonnes/day)
20		Manzhouli, Inner Mongolia Region	7,000 tonnes/year (20 tonnes/day)
21		Naiman Banner, Inner Mongolia Region	7,000 tonnes/year (20 tonnes/day)
Total:			468,000 tonnes/year (1,225 tonnes/day)

3. Waste Treatment by Cement Kilns

As at the end of the Reporting Period, 7 projects of waste treatment by cement kilns segment were completed, with a treatment capacity of approximately 540,000 tonnes/year (approximately 1,600 tonnes/day). A total of approximately 288,000 tonnes of municipal waste was received, and a total of approximately 245,000 tonnes of municipal waste was treated, representing a year-on-year increase of 3%.

As at the end of the Reporting Period, details of the Group's waste treatment by cement kilns projects are set out in the following table:

No.	Project Location	Treatment Capacity
1	Qingzhen, Guizhou Province	100,000 tonnes/year (300 tonnes/day)
2	Yangchun, Guangdong Province	70,000 tonnes/year (200 tonnes/day)
3	Fusui, Guangxi Region	70,000 tonnes/year (200 tonnes/day)
4	Nanjiang, Sichuan Province	70,000 tonnes/year (200 tonnes/day)
5	Lingyun, Guangxi Region	30,000 tonnes/year (100 tonnes/day)
6	Xing'an, Guangxi Region	100,000 tonnes/year (300 tonnes/day)
7	Linxia, Gansu Province	100,000 tonnes/year (300 tonnes/day)
Total:		540,000 tonnes/year (1,600 tonnes/day)

As at the end of the Reporting Period, the Group had a municipal waste treatment capacity of approximately 20,328,000 tonnes/year (approximately 56,575 tonnes/day), including approximately 18,358,000 tonnes/year (approximately 51,075 tonnes/day) completed and approximately 1,970,000 tonnes/year (approximately 5,500 tonnes/day) under construction, under approval and planning and reserve.

New Energy Business

During the Reporting Period, the Group continued to monitor the development trends of new energy industry, adhered to the strategy of “formulating production plans based on sales volume”, strengthened market construction of lithium iron phosphate cathode materials projects and accelerated the research and development and certification of new products, leading to continuous increase in the number of patent and highlighting core competitive advantages. Meanwhile, the Group steadily advanced the construction of its anode materials projects and actively expanded the supply and sales markets. The Group continuously optimised the technologies and techniques of lithium battery recycling comprehensive utilisation projects. The Group secured a new project in Li County, Hunan Province, with a total contracted treatment capacity of approximately 190,000 tonnes/year.

As at the end of the Reporting Period, details of the Group’s lithium battery recycling comprehensive utilisation projects are set out in the following table:

No.	Status of Construction	Project Location	Treatment Capacity	Completion Date
1	In operation	Wuhu, Anhui Province	15,000 tonnes/year	December 2024
Sub-total:			15,000 tonnes/year	
No.	Status of Construction	Project Location	Treatment Capacity	Expected Completion Date
2	Under construction	Li County, Hunan Province	10,000 tonnes/year	December 2026
Sub-total:			10,000 tonnes/year	
3	Under approval and planning	Huaibei, Anhui Province	15,000 tonnes/year	/
4		Shijiazhuang, Hebei Province	30,000 tonnes/year	/
5		Dengfeng, Henan Province	15,000 tonnes/year	/
6		Tongchuan, Shaanxi Province	15,000 tonnes/year	/
7		Jingmen, Hubei Province	15,000 tonnes/year	/
Sub-total:			90,000 tonnes/year	

No.	Status of Construction	Project Location	Treatment Capacity	Completion Date
8	Reserve project	Zaozhuang, Shandong Province	30,000 tonnes/year	/
9		Zhuzhou, Hunan Province	15,000 tonnes/year	/
10		Changshan, Zhejiang Province	30,000 tonnes/year	/
Sub-total:			75,000 tonnes/year	
Total:			190,000 tonnes/year	

During the Reporting Period, the Group manufactured approximately 42,000 tonnes of cathode materials under its new energy business, with a revenue of RMB766.76 million, and the Group's lithium battery recycling comprehensive utilisation projects recorded revenue of RMB148.00 million.

New Building Materials and Port Logistics

The Group's new building materials business has always been guided by market demand. The Group actively optimised process transformation, accelerated the research and development and promotion of new products, enriched product categories, and enhanced product added value. Meanwhile, the Group strengthened cost control, leveraged product cost competitive advantages, and strived to increase market share.

During the Reporting Period, the Group recorded new building materials product sales of approximately 7.61 million square metres, with an operating revenue of RMB90.66 million.

The Group upgraded the functions of the port services to ensure core freight sources in its port logistics business. It actively expanded foreign trade cargo sources and optimised the customer structure. It strengthened scheduling and coordination to improve operational efficiency and increase throughput.

During the Reporting Period, the port logistics business achieved a throughput of approximately 32.03 million tonnes, representing a year-on-year increase of 1.77 million tonnes, with an operating revenue of RMB168.45 million.

FINANCIAL PROFITABILITY

Item	2025 Amount (RMB'000)	2024 Amount (RMB'000)	Changes between the Reporting Period and the corresponding period of the previous year (%)
Revenue	6,547,710	6,270,737	4.42
Profit before taxation	2,455,622	2,249,669	9.15
Share of profits of associates	1,520,904	1,316,054	15.57
Profit before taxation from principal businesses	934,718	933,615	0.12
Net profit attributable to equity shareholders of the Company	2,245,142	2,019,557	11.17
Net profit from principal businesses attributable to equity shareholders of the Company	724,238	703,503	2.95

During the Reporting Period, the Group achieved revenue of RMB6,547.71 million, representing a year-on-year increase of 4.42%. Profit before taxation amounted to RMB2,455.62 million, representing a year-on-year increase of 9.15%, mainly due to the increase in share of profits of associates such as Conch Holdings. Share of profits of associates amounted to RMB1,520.90 million, representing a year-on-year increase of 15.57%. Profit before taxation from principal businesses amounted to RMB934.72 million, representing a year-on-year increase of 0.12%. Net profit attributable to equity shareholders of the Company amounted to RMB2,245.14 million, representing a year-on-year increase of 11.17%, among which, net profit from principal businesses attributable to equity shareholders amounted to RMB724.24 million, representing a year-on-year increase of 2.95%. Basic earnings per share amounted to RMB1.32.

1. Revenue by business stream

Item	2025		2024		Change in amount in amount (%)	Change in percentage (percentage point(s))
	Amount (RMB'000)	Percentage (%)	Amount (RMB'000)	Percentage (%)		
Waste incineration	4,699,089	71.77	4,878,829	77.80	-3.68	-6.03
Energy-saving equipment	496,444	7.58	817,832	13.04	-39.30	-5.46
New building materials	90,660	1.39	102,059	1.63	-11.17	-0.24
New energy business	1,093,066	16.69	289,664	4.62	277.36	12.07
Port logistics	168,451	2.57	182,353	2.91	-7.62	-0.34
Total	6,547,710	100.00	6,270,737	100.00	4.42	-

During the Reporting Period, as affected by the continuous development of the Group's new energy business, the Group's revenue increased. With a breakdown by business:

- (i) The revenue from waste incineration solutions amounted to RMB4,699.09 million, representing a year-on-year decrease of 3.68%, which was mainly due to the reduction in projects under construction by the Group, resulting in a year-on-year decrease in revenue during the construction period.
- (ii) The revenue from energy-saving equipment amounted to RMB496.44 million, representing a year-on-year decrease of 39.30%, which was mainly due to the decrease in orders of energy-saving equipment.
- (iii) The revenue from new building materials amounted to RMB90.66 million, representing a year-on-year decrease of 11.17%, which was mainly due to the decrease in sales volume and prices as a result of market influence.
- (iv) The revenue from new energy business amounted to RMB1,093.07 million, representing a year-on-year increase of 277.36%, which was mainly due to the Group's continuous exploration of the market and the further utilization of production capacity, leading to a rapid revenue growth.
- (v) The revenue from port logistics amounted to RMB168.45 million, representing a year-on-year decrease of 7.62%, mainly due to the decrease in sales prices as a result of intensified market competition, which led to the decrease in revenue.

Breakdown of revenue from waste incineration solutions

Revenue Breakdown	2025		2024		Change in amount	Change in percentage (percentage point(s))
	Amount	Percentage	Amount	Percentage		
	(RMB'000)	(%)	(RMB'000)	(%)	(%)	
Operation revenue	4,194,578	89.26	3,903,686	80.01	7.45	9.25
Grate furnace power generation	4,154,959	88.42	3,860,286	79.12	7.63	9.30
Waste treatment by cement kilns	39,619	0.84	43,400	0.89	-8.71	-0.05
Construction revenue	504,511	10.74	975,143	19.99	-48.26	-9.25
Grate furnace power generation	504,511	10.74	975,143	19.99	-48.26	-9.25
Total	4,699,089	100.00	4,878,829	100.00	-3.68	-

During the Reporting Period, the operation revenue from waste incineration solutions segment amounted to RMB4,194.58 million, representing a year-on-year increase of 7.45%, which was mainly due to the year-on-year growth in both the electricity sold to the grid and steam sales volume of the Group, leading to the growth in revenue. The revenue from waste incineration solutions segment during the construction period amounted to RMB504.51 million, representing a year-on-year decrease of 48.26%, which was mainly due to the decrease in the number of projects under construction.

2. Revenue by geographical locations

Item	2025		2024		Change in amount (%)	Change in percentage (percentage point(s))
	Amount (RMB'000)	Percentage (%)	Amount (RMB'000)	Percentage (%)		
Chinese Mainland	6,295,532	96.15	5,963,636	95.10	5.57	1.05
Asia-Pacific (except Chinese Mainland)	252,178	3.85	307,101	4.90	-17.88	-1.05
Total	<u>6,547,710</u>	<u>100.00</u>	<u>6,270,737</u>	<u>100.00</u>	<u>4.42</u>	<u>-</u>

During the Reporting Period, the Group's revenue derived from Chinese Mainland market recorded a year-on-year increase of 5.57%. The revenue derived from Asia (except Chinese Mainland) market amounted to RMB252.18 million, representing a year-on-year decrease of 17.88%, which was mainly due to the decrease in the number of the Group's overseas orders for energy-saving equipment.

3. Gross profit and gross profit margin

Item	2025		2024		Change in amount (%)	Change in gross profit margin (percentage points)
	Gross profit (RMB'000)	Gross profit margin (%)	Gross profit (RMB'000)	Gross profit margin (%)		
Waste incineration solutions	2,030,725	43.22	1,835,896	37.63	10.61	5.59
Energy-saving equipment	128,326	25.85	214,067	26.17	-40.05	-0.32
New building materials	6,758	7.45	-5,799	-5.68	-	13.13
New energy business	13,470	1.23	24,171	8.34	-44.27	-7.11
Port logistics	92,646	55.00	107,081	58.72	-13.48	-3.72
Total	<u>2,271,925</u>	<u>34.70</u>	<u>2,175,416</u>	<u>34.69</u>	<u>4.44</u>	<u>0.01</u>

During the Reporting Period, the Group actively implemented measures such as improving quality and efficiency. The gross profit margin was 34.70%, representing a slight year-on-year increase. With a breakdown by business:

- (i) The gross profit margin for waste incineration solutions was 43.22%, representing a year-on-year increase of 5.59 percentage points. This was mainly due to that the Group took various business measures such as increasing the on-grid electricity per tonne and conducting external sales of steam, leading to an increase in gross profit margin.
- (ii) The gross profit margin for energy-saving equipment was 25.85%, representing a year-on-year decrease of 0.32 percentage points.
- (iii) The gross profit margin for new building materials was 7.45%, representing a year-on-year increase of 13.13 percentage points, mainly due to combined effect of a decrease in unit costs and the reversal of inventory provisions made in prior periods.
- (iv) The gross profit margin for new energy business was 1.23%, representing a year-on-year decrease of 7.11 percentage points, mainly due to the increase of raw material costs, as a result of intensified market competition, leading to lower gross profit margin.
- (v) The gross profit margin for port logistics was 55.00%, representing a year-on-year decrease of 3.72 percentage points, mainly due to the decline in price as a result of the impact of market competition, leading to lower gross profit margin.

4. *Other net income*

During the Reporting Period, the Group's other net income amounted to RMB190.50 million, representing a year-on-year decrease of RMB17.82 million, or 8.56%, which was mainly due to the absence of fair value gain on the Group's financial assets recorded in prior year.

5. *Administrative expenses*

During the Reporting Period, the Group's administrative expenses amounted to RMB827.61 million, representing a year-on-year increase of RMB124.01 million, or 17.63%, which was mainly due to the increase in the number of operating subsidiaries within the Group and the recognition of impairment losses on the assets held for sale, resulting in the increase in administrative expenses.

6. Finance costs

During the Reporting Period, the Group's finance costs amounted to RMB657.32 million, representing a year-on-year decrease of RMB50.46 million, or 7.13%, which was mainly due to the decrease in finance costs as a result of the decrease in the composite interest rate of interest-bearing liabilities of the Group.

FINANCIAL POSITION

As at 31 December 2025, the Group's total assets amounted to RMB84,282.25 million, representing an increase of RMB1,956.07 million as compared to the end of the previous year. The equity attributable to equity shareholders of the Company amounted to RMB49,399.00 million, representing an increase of RMB1,685.89 million as compared to the end of the previous year. During the Reporting Period, the Group took active measures to reduce liabilities. As at 31 December 2025, the Group's gearing ratio (total liabilities/total assets) was 39.64%, representing a decrease of 0.63 percentage point as compared to the end of the previous year. The balance sheet items of the Group are as follows:

Item	As at 31 December 2025 (RMB'000)	As at 31 December 2024 (RMB'000)	Change between the end of the Reporting Period and the end of the previous year (%)
Property, plant and equipment and investment properties	8,642,659	7,960,761	8.57
Non-current assets	75,316,433	74,510,651	1.08
Non-current liabilities	24,931,372	26,898,138	-7.31
Current assets	8,965,817	7,815,532	14.72
Current liabilities	8,478,470	6,251,413	35.62
Net current assets	487,347	1,564,119	-68.84
Equity attributable to equity shareholders of the Company	49,398,995	47,713,102	3.53
Total assets	84,282,250	82,326,183	2.38
Total liabilities	33,409,842	33,149,551	0.79

Non-current assets and non-current liabilities

As at 31 December 2025, non-current assets of the Group amounted to RMB75,316.43 million, representing an increase of 1.08% as compared to the end of the previous year, which was mainly due to the increase in investment by the Group in property, plant and equipment and investment properties; non-current liabilities amounted to RMB24,931.37 million, representing a decrease of 7.31% as compared to the end of the previous year, which was mainly due to the impact of the net decrease of the Group's unsecured medium-term notes under non-current liabilities of RMB1.4 billion during the Reporting Period.

Current assets and current liabilities

As at 31 December 2025, current assets of the Group amounted to RMB8,965.82 million, current liabilities amounted to RMB8,478.47 million, and net current assets amounted to RMB487.35 million, representing a decrease of 68.84% as compared to the end of the previous year, which was mainly due to the impact of RMB2.7 billion of unsecured medium-term notes being reclassified to current liabilities.

Equity attributable to equity shareholders of the Company

As at 31 December 2025, the equity attributable to equity shareholders of the Company amounted to RMB49,399.00 million, representing an increase of 3.53% as compared to the end of the previous year, which was mainly due to increases in the Group's interests in associates and net profit from principal businesses attributable to the equity shareholders.

LIQUIDITY AND CAPITAL SOURCES

During the Reporting Period, by taking the advantage of its capital size to the utmost, the Group enhanced capital planning and management, optimised the financing structure, broadened its borrowing channels. By issuing green medium-term notes of RMB1.3 billion with lower interest rates, it reduced the loan interest rate, and rationally arranged loans for projects, so as to satisfy the Company's capital needs. As at 31 December 2025, the Group's cash and cash equivalents amounted to RMB2,072.40 million, which were mainly denominated in RMB, Hong Kong dollars and US dollars.

Bank loans

Item	As at 31 December 2025 (RMB'000)	As at 31 December 2024 (RMB'000)
Due within one year	1,777,044	1,798,378
Due after one year but within two years	2,356,319	2,092,128
Due after two years but within five years	7,203,387	7,112,740
Due after five years	13,613,319	14,511,816
Total	24,950,069	25,515,062

As at 31 December 2025, the balance of bank loans of the Group amounted to RMB24,950.07 million, representing a decrease of RMB564.99 million as compared to the end of the previous year, which was mainly due to the repayment of certain bank loans by the Group during the Reporting Period. As at 31 December 2025, the Group's bank loans were denominated in RMB and US dollars, and all of the loan interests were subject to variable interest rates.

Cash flows

Item	2025 (RMB'000)	2024 (RMB'000)
Net cash generated from operating activities	1,839,363	2,024,497
Net cash used in investing activities	-1,297,107	-2,427,030
Net cash used in financing activities	-732,585	-423,238
Net decrease in cash and cash equivalents	-190,329	-825,771
Effect of foreign exchange rate changes	-5,988	968
Cash and cash equivalents at the beginning of the year	2,269,721	3,094,524
Cash and cash equivalents transferred to assets held for sale	-1,006	-
Cash and cash equivalents at the end of the year	2,072,398	2,269,721

Net cash generated from operating activities

During the Reporting Period, net cash generated from operating activities of the Group amounted to RMB1,839.36 million, representing a year-on-year decrease of RMB185.13 million, which was mainly due to the continuous increase in net cash generated from operating activities of the Group's grate furnace power generation during the Reporting Period, coupled with the combined impact of factors such as the increase in accounts receivable resulting from the expansion of its new energy business.

Net cash used in investing activities

During the Reporting Period, net cash used in investing activities of the Group amounted to RMB1,297.11 million, representing a year-on-year decrease of RMB1,129.92 million, which was mainly due to the decrease in the Group's capital expenditures during the Reporting Period.

Net cash used in financing activities

During the Reporting Period, net cash used in financing activities of the Group amounted to RMB732.59 million, representing a year-on-year increase of RMB309.35 million, which was mainly due to the year-on-year decrease in the net increase in interest-bearing debts of the Group during the Reporting Period.

COMMITMENTS

As at 31 December 2025, the Group had capital commitments not provided for in the consolidated financial statements were as follows:

Item	As at 31 December 2025 (RMB'000)	As at 31 December 2024 (RMB'000)
Contracted for	556,094	592,343
Authorized but not contracted for	233,409	459,283
Total	789,503	1,051,626

FOREIGN EXCHANGE RISK

The Company's functional currency is RMB. Foreign exchange risks faced by the Group were mainly derived from account receivables and account payables arising from sales and procurement which were mainly denominated in currencies including US dollars and Hong Kong dollars. Other than that, most of the assets and transactions of the Group were denominated in RMB, and the capital expenditures of the Group's domestic business were generally funded with the revenue in RMB. As a result, the Group is not exposed to significant foreign exchange risks.

During the Reporting Period, the Group did not use any financial instruments to hedge against any foreign exchange risks.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any material contingent liabilities.

PLEDGE OF ASSETS

As at 31 December 2025, investment properties with carrying amount of RMB1,526.89 million, construction in progress with carrying amount of RMB1,380.38 million and right-of-use assets with carrying amount of RMB271.62 million of the Group were pledged as collaterals for certain bank loans.

Save as disclosed above, the Group did not have any pledge of assets as at 31 December 2025.

MATERIAL INVESTMENT, ACQUISITION OR DISPOSAL

During the Reporting Period, the Group had no material investments, acquisitions or disposals, and had no definite plan for any material investment, acquisition or disposal of capital assets.

ISSUE OF 2025 AND 2026 GREEN MEDIUM-TERM NOTES

On 13 January 2025, the Company publicly issued the first tranche of 2025 green medium-term notes (Bond Connect) (the “**First Tranche of 2025 Green Medium-term Notes**”) in inter-bank market of the People's Republic of China (“**PRC**”), with an aggregate principal amount of RMB1.3 billion at a coupon rate of 1.93% for a term of five years, without any guarantee. The coupon rate was the most preferential rate of the Green Panda Bonds domestically in history. The proceeds from the issuance of the First Tranche of 2025 Green Medium-term Notes will be primarily used for the repayment of interest-bearing debts and the expenditures of the projects' construction and operation of the Group. The Company, as the issuer, has received “AAA” rating from China Lianhe Credit Rating Co., Ltd.* (聯合資信評估股份有限公司), a credit rating agency.

On 2 December 2025, the Company received the Notice of Acceptance of Registration (《接受註冊通知書》) from the National Association of Financial Market Institutional Investors in the PRC, approving the registration of debt financing instruments of the Company with a registered amount of RMB5.0 billion, and the registration quota is valid for two years from the date of such notice. On 4 February 2026, the Company publicly issued the first tranche of 2026 green medium-term notes (Bond Connect) (the “**First Tranche of 2026 Green Medium-term Notes**”) in the PRC with an aggregate principal amount of RMB1.235 billion at a coupon rate of 1.9% for a term of five years, without any guarantee, setting a new low for the issuance rate. The issuance of the First Tranche of 2026 Green Medium-term Notes is mainly for the purpose of repaying the first tranche of 2023 green medium-term notes (Bond Connect) that is about to reach maturity. The Company, as the issuer, has received “AAA” rating from China Lianhe Credit Rating Co., Ltd.*, a credit rating agency.

Details of the issue of the First Tranche of 2025 Green Medium-term Notes and the First Tranche of 2026 Green Medium-term Notes are published on the website of National Association of Financial Market Institutional Investors (www.nafmii.org.cn) and the website of Shanghai Clearing House (www.shclearing.com.cn).

HUMAN RESOURCES

The Group attached great importance to the construction and development of human resources, explored and continuously optimised its corporate management system, strived to create an atmosphere of talent development concept of “respecting labour, knowledge, talents and creation”, was dedicated to providing employees with competitive remuneration packages, safe and comfortable working environment and comprehensive welfare, and proactively built a multilevel, systematic and professional training system, conducted various professional business training from time to time, encouraged employees to participate in training and exchange activities conducted by social and industrial organisations to enhance the comprehensive quality and professional skills of employees and stimulate their motivation and creativity for work. At the same time, the Group has also actively built a fair and balanced platform full of opportunities for the strategic development of diversified talents, continuously enriched and improved its talent pool through various channels, including internal training, university-enterprise cooperation and recruitment from the society, made mature nurture and promotion channel in place and optimised the structure of human resource, so as to propel the high-quality development of the Group through advanced human resource management.

As at 31 December 2025, the Group had 6,557 employees (31 December 2024: 6,607 employees). The remuneration of employees is based on qualifications, experience, work performance and market conditions. As required by the PRC regulations on social insurance, the Group participated in the social insurance schemes operated by local government authorities which include pension insurance, medical insurance, unemployment insurance, industrial injuries insurance and maternity insurance. During the Reporting Period, the total remuneration of employees (including the remuneration of the Directors) was approximately RMB961.70 million (2024: RMB855.3 million).

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as matters set out in “ISSUE OF 2025 AND 2026 GREEN MEDIUM-TERM NOTES” above, subsequent to the Reporting Period and up to the date of this announcement, no significant events that have an impact on the Group occurred which shall be disclosed.

FUTURE PLAN AND OUTLOOK

The year 2026 marks the commencement of China’s 15th Five-Year Plan. In the face of new opportunities presented by the evolving landscape, and under the strong leadership of the Board, the Group will continue to uphold the overarching principle of “focusing on the principal business, tapping into growth potential and improving quality and efficiency”. We will strengthen industrial collaborative management, thoroughly unlock the efficiency-enhancing potential of our core environmental protection business, and cultivate new quality growth drivers. By promoting the integrated and healthy development of multiple industry segments, we will dedicate our efforts to enhancing the Group’s core competitiveness, safeguarding the fundamental interests of the shareholders of the Company (the “**Shareholders**”), and striving to build the Group into a “China-leading, world-class” environmental protection enterprise group.

Waste-to-Energy Business: Focusing on Quality and Early Momentum

The Group will focus on the core management advantages of the waste-to-energy business, its principal business. By concentrating on the core factors of “optimising capacity, improving operations, and increasing profitability”, the Group will maximise production capacity utilisation and operational rates to maintain the competitive edge. The Group will actively promote the “Power Generation +” industrial model, improving diversified business operations such as steam and electricity sales, collaborative disposal, and green certificate trading, to cultivate a second growth driver, and actively expand overseas market for energy-saving manufacturing equipment, explore the application of green electricity resources to extend industrial chain, thereby enhancing

the quality of its principal business. By summarising industry operational experience, the Group will strengthen distinctive business models such as the “365 Club” and “500 Excellence Group”, fostering a culture of innovation and efficiency through benchmarking and knowledge sharing. Such initiatives will elevate operational standards, profitability metrics, and brand influence, achieving quality improvement of primary business.

New Energy Business: Forging a New Path by Harnessing Trends

The Group will focus on the product application and market expansion of new energy materials and manage product per industry standards by increasing research and development innovation for advanced products and leveraging comparative advantages to increase self-production and self-sales market shares. For the lithium iron phosphate cathode materials projects, the Group will emphasize the cost control, implement a policy of diversified raw material procurement, strengthen supply chain development, optimise product performance, and diversify product portfolios, while accelerating patents applications and exploring win-win cooperation models to enhance brand competitiveness. As for the anode materials projects, the Group will focus on process optimization, integrated commissioning, market development, and energy conservation and consumption reduction, steadily achieving its designed capacity and operational targets.

In terms of the lithium battery recycling and comprehensive utilisation business, the Group will optimise its front-end and back-end process technology by continuously summarising the operation experience, strengthen its technical superiority by focusing on technological breakthroughs, and innovate its business model. The Group will also expand recycling channels and marketing network and explore collaborations with leading lithium battery enterprises.

Port Building Materials Business: Prioritizing Markets to Forge New Momentum

For the port logistics business, the Group will endeavour to boost its market share by integrating internal and external resources, broadening high-quality customer channels, and seeking to increase business volume and price for stable growth. It will also upgrade berth classes, leverage competitive advantages to ensure steady and healthy development of business.

The Group will adhere to a market-oriented approach by implementing coordinated production and sales, exploring overseas expansion, and capturing market share. It will also scale up the achievements of technological upgrades and enrich the development and application of new products. By leveraging the iterative advantages of our production lines and products, the Group will enhance added value. Furthermore, it will also revitalize existing assets and coordinate cost reduction with efficiency improvement, thereby making new contributions from the sector.

Final Dividend

At the Board meeting held on 25 March 2026, the Board proposed the distribution of final cash dividend of HK\$0.30 per share (the “**Final Dividend**”) for the year ended 31 December 2025. The proposed Final Dividend is subject to approval of Shareholders at the forthcoming annual general meeting of the Company (the “**AGM**”). The Final Dividend is expected to be paid to the Shareholders on 24 July 2026.

ANNUAL GENERAL MEETING

The AGM will be held on Thursday, 25 June 2026. The notice and the circular of the AGM will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company as and when appropriate.

CLOSURE OF REGISTER OF MEMBERS

For determining the qualification of Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 18 June 2026 to Thursday, 25 June 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify as Shareholders to attend and vote at the meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 17 June 2026. Shareholders whose names appear on the register of members of the Company on Thursday, 25 June 2026 shall be entitled to attend and vote at the meeting. The record date for determining entitlement to attend and vote at the AGM is Thursday, 25 June 2026.

For determining the entitlement to the Final Dividend, the register of members of the Company will be closed from Monday, 6 July 2026 to Friday, 10 July 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the entitlement to the Final Dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 3 July 2026. Shareholders whose names appear on the register of members of the Company on Friday, 10 July 2026 shall be entitled to the Final Dividend. The record date for determining eligibility for the Final Dividend is Friday, 10 July 2026.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the Reporting Period, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities (including the sale of treasury shares (as defined in the Listing Rules)).

As at the end of the Reporting Period, the Company does not hold any treasury shares (including any treasury shares held or deposited with CCASS (as defined in the Listing Rules)).

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board confirmed that during the Reporting Period, the Company has complied with the principles and all applicable code provisions of Part 2 of the Corporate Governance Code set out in Appendix C1 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding the transactions of securities of the Company by the Directors and the relevant employees (who likely possess inside information of the Company) (the “**Securities Dealing Code**”) on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules. Having made specific enquiries by the Company, all Directors confirmed that they complied with the Model Code and the Securities Dealing Code during the Reporting Period.

REVIEW OF ANNUAL RESULTS

The annual results of the Group for the year ended 31 December 2025 have been reviewed by the audit committee of the Board.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is available on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.conchventure.com>). The 2025 Annual Report for the year ended 31 December 2025 of the Company containing all the information required by the Listing Rules will be published on the above websites and despatched to Shareholders (as required) in due course.

On behalf of the Board
China Conch Venture Holdings Limited
GUO Jingbin
Chairman

Anhui Province, the People's Republic of China
25 March 2026

As at the date of this announcement, the Board comprises Mr. GUO Jingbin (Chairman), Mr. JI Qinying (Vice-Chairman and Chief Executive Officer), Mr. WANG Xuesen, Mr. HE Guangyuan and Mr. WAN Changbao as executive Directors; Mr. LYU Wenbin as non-executive Director; and Mr. CHAN Chi On (alias Derek CHAN), Mr. CHAN Kai Wing and Ms. CHENG Yanlei as independent non-executive Directors.

* *For identification purpose only*