Beijing Enterprises Urban Resources Group Limited
北控城市資源集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3718)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

HIGHLIGHTS

- The Group recorded a revenue of approximately RMB3,132.4 million for the six months ended 30 June 2026, representing an increase of approximately 3.1% as compared with that of approximately RMB3,039.3 million for the six months ended 30 June 2025.

- Profit attributable to shareholders of the Company increased by approximately 8.6% to approximately RMB35.3 million for the six months ended 30 June 2026 as compared to approximately RMB32.5 million for the six months ended 30 June 2025.

- A provision for impairment loss on property, plant and equipment and right-of-use assets from the hazardous waste treatment business of RMB127.0 million was recognised during the six months ended 30 June 2026. The provision for impairment loss was a one-off non-cash expenditure and had no impacts on the Group's cash flow.

- During the six months ended 30 June 2026, the Group newly obtained 54 urban services projects through public tenders, with total contract values and estimated annual revenue amounting to approximately RMB2,915.2 million and RMB949.5 million, respectively.

- Interim dividend of HK1.8 cents per share is declared for the six months ended 30 June 2026 (six months ended 30 June 2025: HK1.8 cents).

The board (the "**Board**") of directors (the "**Directors**") of Beijing Enterprises Urban Resources Group Limited (the "**Company**") hereby announces the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 and the unaudited interim condensed consolidated statement of financial position as at 30 June 2026, together with comparative figures for the corresponding period in 2025, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	**2026** ***RMB'000*** **(Unaudited)**	2025 *RMB'000* (Unaudited)
REVENUE	*4*	**3,132,432**	3,039,289
Cost of sales		**(2,571,181)**	(2,425,282)
Gross profit		**561,251**	614,007
Other income and gains, net	*5*	**26,104**	17,912
Administrative expenses		**(248,892)**	(255,833)
Selling and distribution expenses		**(6,078)**	(6,308)
Other expenses		**(48,703)**	(39,502)
Finance costs	*7*	**(39,583)**	(42,350)
Impairment loss on property, plant and equipment, right-of-use assets and other intangible assets		**(127,022)**	(161,537)
Share of profit/(loss) of joint ventures		**359**	(252)
PROFIT BEFORE TAX	*6*	**117,436**	126,137
Income tax expense	*8*	**(71,451)**	(60,703)
PROFIT FOR THE PERIOD		**45,985**	65,434
Attributable to:			
Shareholders of the Company		**35,329**	32,520
Non-controlling interests		**10,656**	32,914
		45,985	65,434
EARNINGS PER SHARE			
Basic	*9*	**RMB0.99 cents**	RMB0.91 cents

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
For the six months ended 30 June 2026

	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**45,985**	65,434
Other comprehensive (expense)/income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
– Translation of foreign operations	**(1,684)**	6,095
OTHER COMPREHENSIVE (EXPENSE)/INCOME FOR THE PERIOD, NET OF INCOME TAX	**(1,684)**	6,095
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**44,301**	71,529
Attributable to:		
Shareholders of the Company	**33,645**	38,615
Non-controlling interests	**10,656**	32,914
	44,301	71,529

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	**30 June 2026** **RMB'000** **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**1,914,673**	2,081,682
Right-of-use assets		**258,303**	261,014
Goodwill		**16,207**	16,412
Service concession arrangements		**492,664**	496,188
Other intangible assets		**9,968**	10,761
Investments in joint ventures		**50,936**	50,577
Prepayments, deposits and other receivables		**37,144**	26,606
Deferred tax assets		**112,826**	103,871
Total non-current assets		**2,892,721**	3,047,111
CURRENT ASSETS			
Inventories		**91,106**	85,369
Trade and bills receivables	*11*	**3,806,028**	3,497,162
Environmental decommissioning fees receivable	*12*	**219,463**	248,667
Other tax recoverable		**70,720**	106,570
Prepayments, deposits and other receivables		**200,647**	213,447
Restricted cash and pledged deposits		**17,717**	17,436
Cash and cash equivalents		**1,435,677**	1,320,115
Total current assets		**5,841,358**	5,488,766
TOTAL ASSETS		**8,734,079**	8,535,877

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
CURRENT LIABILITIES			
Trade and bills payables	*13*	**693,771**	695,842
Other payables and accruals		**998,819**	880,019
Other taxes payable		**50,840**	44,161
Income tax payable		**64,816**	65,159
Interest-bearing bank borrowings	*14*	**2,007,081**	1,117,548
Total current liabilities		**3,815,327**	2,802,729
NET CURRENT ASSETS		**2,026,031**	2,686,037
TOTAL ASSETS LESS CURRENT LIABILITIES		**4,918,752**	5,733,148
NON-CURRENT LIABILITIES			
Deferred income		**139,922**	144,386
Other payables and accruals		**60,447**	60,577
Deferred tax liabilities		**73,982**	75,993
Interest-bearing bank borrowings	*14*	**624,587**	1,405,901
Provision for major overhauls		**138,135**	135,810
Total non-current liabilities		**1,037,073**	1,822,667
Net assets		**3,881,679**	3,910,481
EQUITY			
Equity attributable to shareholders of the Company			
Share capital	*15*	**313,584**	313,584
Reserves		**2,857,254**	2,885,517
		3,170,838	3,199,101
Non-controlling interests		**710,841**	711,380
Total equity		**3,881,679**	3,910,481

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION
30 June 2026

1.1 CORPORATE INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Its immediate and ultimate holding company is Beijing Enterprises Water Group Limited, which is a limited liability company incorporated in Bermuda and shares of which are listed on the Main Board of the Stock Exchange. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business is 66th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

The Company is an investment holding company. During the six months ended 30 June 2026, the Group was involved in the following principal activities:

- provision of urban services
- provision of hazardous waste treatment services
- provision of waste electrical, electronic equipment treatment services and sale of dismantled products

1.2 BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 ("**HKAS 34**") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards -Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

(a) the urban services segment provides urban environmental governance services and construction services;

(b) the hazardous waste treatment segment provides hazardous waste treatment services; and

(c) the "others" segment comprise, principally, the waste electrical and electronic equipment treatment services and the sale of dismantled products.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit for the period attributable to shareholders of the Company. The adjusted profit for the period attributable to shareholders of the Company is measured consistently with the Group's profit for the period attributable to shareholders of the Company except that corporate and other unallocated income and expenses are excluded from such measurement.

	Urban services Six months ended 30 June		Hazardous waste treatment Six months ended 30 June		Others Six months ended 30 June		Total Six months ended 30 June	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Segment revenue ***(Note 4)***	**2,722,982**	2,664,179	**247,610**	215,256	**161,840**	159,854	**3,132,432**	3,039,289
Cost of sales	**(2,171,077)**	(2,066,440)	**(232,209)**	(214,593)	**(167,895)**	(144,249)	**(2,571,181)**	(2,425,282)
Gross profit/(loss)	**551,905**	597,739	**15,401**	663	**(6,055)**	15,605	**561,251**	614,007
Segment results	**333,596**	365,884	**(31,270)**	(45,480)	**(9,876)**	9,429	**292,450**	329,833
Impairment loss on property, plant and equipment, right-of-use assets and other intangible assets	**–**	–	**(127,022)**	(161,537)	**–**	–	**(127,022)**	(161,537)
	333,596	365,884	**(158,292)**	(207,017)	**(9,876)**	9,429	**165,428**	168,296
Corporate and other unallocated income and expenses, net:								
– Interest income							**286**	122
– Finance costs							**(21,556)**	(22,447)
– Corporate and other unallocated expenses							**(26,722)**	(19,834)
							(47,992)	(42,159)
Profit before tax							**117,436**	126,137
Income tax expense							**(71,451)**	(60,703)
Profit for the period							**45,985**	65,434
Segmental profit/(loss) for the period	**256,651**	305,349	**(158,586)**	(207,110)	**(4,088)**	9,354	**93,977**	107,593
Non-controlling interests	**(47,886)**	(40,563)	**35,991**	12,603	**1,239**	(4,954)	**(10,656)**	(32,914)
Shareholders of the Company	**208,765**	264,786	**(122,595)**	(194,507)	**(2,849)**	4,400	**83,321**	74,679
Corporate and other unallocated income and expenses, net							**(47,992)**	(42,159)
							35,329	32,520

	Urban services Six months ended 30 June		Hazardous waste treatment Six months ended 30 June		Others Six months ended 30 June		Total Six months ended 30 June	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Other segment information:								
Share of profit/(loss) of joint ventures	**957**	564	**(598)**	(816)	**–**	–	**359**	(252)
Impairment losses and write-down to inventory to net realisable value	**31,817**	14,015	**127,660**	165,000	**108**	2,500	**159,585**	181,515
Depreciation and amortisation	**158,016**	230,940	**66,383**	73,442	**2,102**	1,061	**226,501**	305,443
Capital expenditure*	**185,072**	98,337	**16,077**	27,354	**3,939**	1,320	**205,088**	127,011

* Capital expenditure consists of additions to property, plant and equipment, right-of-use assets and service concession arrangements.

Geographical information

Information about the Group's revenue from external customers is presented based on the location of the operations.

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Chinese Mainland	**2,731,058**	2,768,318
Hong Kong	**401,374**	270,971
	3,132,432	3,039,289

Over 90% of the Group's non-current assets were derived from the Group's operations in Chinese Mainland during the period.

Information about major customers

During the six months ended 30 June 2026 and 2025, no revenue from transactions with a single external customer contributed over 10% of the total revenue of the Group.

4. REVENUE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Urban services		
– Urban environmental governance services	**2,711,093**	2,660,989
– Construction services	**11,889**	3,190
	2,722,982	2,664,179
Hazardous waste treatment businesses		
– Hazard-free waste disposal services	**135,018**	151,158
– Sale of recycling and reuse products	**112,592**	64,098
	247,610	215,256
Sale of dismantled products	**153,729**	117,525
	3,124,321	2,996,960
Revenue from other source		
Environmental decommissioning fees income	**8,111**	42,329
	3,132,432	3,039,289

5. OTHER INCOME AND GAINS, NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest income	**1,834**	2,217
Government grants (note (a))	**11,700**	6,335
Value-Added Tax ("**VAT**") refunds and super deduction (note (b))	**1,020**	1,967
Rental income of motor vehicles and equipment	**7,590**	1,726
Sale of scarp materials	**431**	441
Others	**3,529**	5,226
	26,104	17,912

Notes:

(a) The government grants recognised during the period represented grants received from certain government authorities. There are no unfulfilled conditions or contingencies relating to these grants.

(b) Certain subsidiaries are entitled to a refund of 50% to 70% of the net VAT paid/payable under the Catalogue of Products and Services related to Recycling Businesses Qualified for VAT Preferential Treatment (Caishui [2015] No. 78) jointly issued by the PRC State Administration of Taxation and the Ministry of Finance.

Certain subsidiaries are entitled to an additional VAT super deduction ranging from 10% to 15% of the input VAT under the rules issued by the PRC's State Administration of Taxation, the Ministry of Finance and the General Administration of Customs China.

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold (note (a))	**262,160**	197,908
Cost of services provided (note (a))	**2,277,159**	2,201,847
Depreciation of property, plant and equipment	**179,768**	263,810
Depreciation of right-of-use assets	**14,079**	15,138
Amortisation of service concession arrangements (note (a))	**31,862**	25,527
Amortisation of other intangible assets	**792**	968
Impairment losses of trade receivables and environmental decommissioning fees receivable (note (b))	**31,925**	16,515
Write-down of inventories to net realisable value (note (b))	**638**	3,463
(Gain)/loss on disposal of items of property, plant and equipment (note (b))	**(3,369)**	9,683
Loss on deregistration of a subsidiary (note (b))	**6,418**	–
Impairment loss on property, plant and equipment	**126,462**	161,243
Impairment loss on right-of-use assets	**560**	–
Impairment loss on other intangible assets	**–**	294
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Salaries and benefits in kind	**1,458,480**	1,550,328
Pension scheme contributions	**193,491**	196,877
	1,651,971	1,747,205

Notes:

(a) Included in "Cost of sales" in the consolidated statement of profit or loss and other comprehensive income.

(b) Included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income.

7. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest on bank borrowings	**36,010**	39,188
Interest on lease liabilities	**1,307**	1,670
	37,317	40,858
Increase in discounted amounts of provision for major overhauls arising from the passage of time	**2,266**	2,163
	39,583	43,021
Less: Interest capitalised	**–**	(671)
	39,583	42,350

8. INCOME TAX EXPENSE

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both periods.

The income tax provisions in respect of operations in Chinese Mainland are calculated at the applicable tax rates on the estimated assessable profits for the period based on existing legislation, interpretations and practices in respect thereof. In accordance with the relevant tax rules and regulations of Chinese Mainland, a number of the Company's subsidiaries enjoy income tax exemptions and reductions, by reasons that (1) these companies are engaged in the operations of environmental protection, energy and water conservation; and/or (2) they have operations in the Western region of Chinese Mainland that are qualified for a 15% concessionary corporate income tax rate for a prescribed period of time pursuant to the "Circular of the State Council on Policies and Measures Concerning the Large-scale Development of China's Western Regions" (Guo Fa [2000] No. 33) issued by the State Council of PRC.

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax:		
Hong Kong	**551**	889
Chinese Mainland	**71,675**	68,494
	72,226	69,383
Under/(over)provision in prior years		
Chinese Mainland	**10,192**	(7,381)
Deferred tax	**(10,967)**	(1,299)
	71,451	60,703

9. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to shareholders of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit for the period attributable to shareholders of the Company	**35,329**	32,520
Number of shares		
Weighted average number of ordinary shares in issue less treasury shares	**3,556,664,000**	3,556,664,000

No diluted earnings per share for the six months ended 30 June 2026 and 2025 was presented as there was no dilutive potential ordinary share in issue for both periods.

10. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
2025 Final – HK2.0 cents (2024: HK1.3 cents) per ordinary share	**61,908**	42,076

On 25 August 2026, the Board declared an interim dividend in respect of the six months ended 30 June 2026 of HK1.8 cents (six months ended 30 June 2025: HK1.8 cents) per ordinary share, in an aggregate amount of HK$64,020,000 (equivalent to RMB56,338,000) (six months ended 30 June 2025: HK$64,020,000 (equivalent to RMB58,360,000)).

11. TRADE AND BILLS RECEIVABLES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade receivables	**3,930,919**	3,603,966
Less: Allowance for credit losses	**(146,648)**	(114,831)
	3,784,271	3,489,135
Bills receivable	**21,757**	8,027
	3,806,028	3,497,162

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables based on the invoice date or revenue recognition date (when the invoices had yet been issued by then) and net of loss allowance, is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 3 months	**1,200,367**	1,109,354
4 to 6 months	**674,622**	695,593
7 to 12 months	**947,156**	930,732
Over 1 year	**962,126**	753,456
	3,784,271	3,489,135

12. ENVIRONMENTAL DECOMMISSIONING FEES RECEIVABLE

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Environmental decommissioning fees receivable	**219,463**	248,667

The balance represented government subsidies receivable from the Central Government of the PRC (the "**Central Government**") for the waste electrical and electronic equipment treatment services. The Group submits the quantities and products dismantled to the government online system on a weekly basis. The Central Government would appoint independent auditors to perform fieldwork audit quarterly or semi-annually, depending on the province practice, to verify the submitted details in the online system posted by the dismantling entities. Audit report would be issued by the independent auditors and submitted to the Central Government for the quantities confirmation results. Subject to the internal procedures for processing the auditor reports, the Central Government would publish online confirmation notices on its website the quantities of appliances being dismantling appliance and an environmental decommissioning fee would be paid to the entities after the online publication. The whole confirmation process from performing the waste electrical and electronic equipment treatment services until the cash receipt from Central Government ranged from 4 to 5 years.

The Group does not hold any collateral over these balances.

13. TRADE AND BILLS PAYABLES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade payables	**693,771**	691,930
Bills payable	**–**	3,912
	693,771	695,842

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

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 month	**205,371**	190,520
1 to 2 months	**44,432**	62,570
2 to 3 months	**59,274**	52,469
Over 3 months	**384,694**	386,371
	693,771	691,930

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 90 days.

14. INTEREST-BEARING BANK BORROWINGS

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Secured bank loans	**462,142**	567,559
Unsecured bank loans	**2,169,526**	1,955,890
Total bank borrowings	**2,631,668**	2,523,449
Less: Amounts due within one year shown under current liabilities	**(2,007,081)**	(1,117,548)
Amounts shown under non-current liabilities	**624,587**	1,405,901

15. SHARE CAPITAL

	Number of ordinary shares of HK$0.1 each	Nominal value of ordinary shares *HK$'000*
Authorised:		
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	**30,000,000,000**	3,000,000

	Number of shares in issue of HK$0.1 each	Share capital *RMB'000*
Issued and fully paid:		
At 1 January 2025 (audited), 30 June 2025 (unaudited), 1 January 2026 (audited) and 30 June 2026 (unaudited)	**3,556,664,000**	313,584

FINANCIAL HIGHLIGHTS

The analysis of the Group's financial results, by business segments, for the six months ended 30 June 2026 and 2025 is set out in details below:

	Revenue			Gross profit margin			Profit/(loss) attributable to shareholders of the Company		
	2026	2025	Change	**2026**	2025	Change	**2026**	2025	Change
	RMB'000	*RMB'000*	*%*	***%***	*%*	*%*	***RMB'000***	*RMB'000*	*%*
Urban services	**2,722,982**	2,664,179	2.2%	**20.3%**	22.4%	(2.1)%	**208,765**	264,786	(21.2)%
Hazardous waste treatment business	**247,610**	215,256	15.0%	**6.2%**	0.3%	5.9%	**(20,977)**	(32,970)	36.4%
Others	**161,840**	159,854	1.2%	**(3.7)%**	9.8%	(13.5)%	**(2,849)**	4,400	(164.8)%
Business results	**3,132,432**	3,039,289	3.1%	**17.9%**	20.2%	(2.3)%	**184,939**	236,216	(21.7)%
Impairment loss on property, plant and equipment, right-of-use assets and other intangible assets							**(101,618)**	(161,537)	37.1%
							83,321	74,679	11.6%
Corporate and other unallocated income and expenses, net							**(47,992)**	(42,159)	(13.8)%
Total							**35,329**	32,520	8.6%

During the period ended 30 June 2026, The Group recorded a revenue of approximately RMB3,132.4 million, representing an increase of approximately 3.1% as compared to approximately RMB3,039.3 million in the same period last year. Profit for the period attributable to shareholders of the Company increased by approximately 8.6% to approximately RMB35.3 million as compared to approximately RMB32.5 million in the same period last year. Basic earnings per share increased to RMB0.99 cents, representing an increase of RMB0.08 cents from RMB0.91 cents in the same period last year.

The Group continued to deepen the "high-quality development" strategy in the urban services business. During the period, the Group recalibrated its tender bidding and operational approach in the Chinese Mainland, focusing on high-quality projects and adopting prudent tender bidding strategies to enhance project quality and mitigate operational risks. As a result, revenue from the urban services in the Chinese Mainland decreased by approximately 3.0% during the period. Meanwhile, the Group actively expanded its Hong Kong urban services business and successfully won a number of projects, diversifying its urban services from street cleaning to urban leisure venues cleaning and waste collection services, which led to a significant revenue increase of approximately 48.1% from Hong Kong business, making it a key growth driver for the urban services business during the period. The Group's urban services business recorded a revenue of approximately RMB2,723.0 million, representing an increase of 2.2% as compared with approximately RMB2,664.2 million in the corresponding period of last year.

During the period, the overall gross profit margin of the Group's urban services business decreased, primarily due to an increase in the proportion of revenue from the Hong Kong business, whose project gross profit margin was relatively low. In addition, the Chinese Mainland business was under pressure from rising labor costs, vehicle and other operating costs, which led to a decrease in gross profit margin compared with the corresponding period of last year. The Group's urban services business recorded a profit attributable to shareholders of the Company of approximately RMB208.8 million, representing a decrease of 21.2% as compared with approximately RMB264.8 million in the corresponding period of last year.

In terms of the hazardous waste treatment business, the average unit treatment price of hazardous waste recovered compared with the corresponding period of last year, and the Group's special action plan to address losses and improve efficiency gradually delivered results. With cost controls and other operational areas steadily improving, the gross profit margin of the hazardous waste treatment business increased compared with the corresponding period of last year, leading to a gradual improvement in the operating performance. However, the hazardous waste treatment business remained at a cyclical trough, with certain projects still recording operating losses. For the six months ended 30 June 2026, the Group's hazardous waste treatment business recorded a loss attributable to Shareholders of the Company of approximately RMB21.0 million, representing a decrease of approximately 36.4% as compared with a loss of approximately RMB33.0 million for the corresponding period of last year.

During the six months ended 30 June 2026, driven by the intensified industry competition, hazardous waste disposal prices have continued to stay at low levels. Combined with the lower utilisation of the hazardous waste disposal capacity, this has rendered absorption of fixed costs more difficult. As a result, the Group recognised a provision for impairment of assets approximately RMB127.0 million in respect of Xuzhou Pingfu Environmental Resources Development Co., Ltd.* (徐州平福環保資源開發有限公司) (the "**Xuzhou Project**").

BUSINESS REVIEW

The Group is principally engaged in urban services, hazardous waste treatment business and waste electrical and electronic equipment treatment business.

The coverage of the Group's businesses have extended to 19 provinces, 4 autonomous regions, 3 municipalities and 1 special administrative region all across Greater China.

Urban services

Urban Services refer to services in relation to environmental hygiene maintenance and management, such as road cleaning, garbage collection and transportation, garbage transportation station management, public toilet management and other services. Generally, the Group utilises existing public facilities, including garbage transportation stations and public toilets, to provide comprehensive urban services. The Group's urban services primarily cover comprehensive road cleaning, garbage sorting, garbage collection and transportation, garbage transportation station management, public toilet management, manure collection and transportation, greenway maintenance, river cleaning services and property management services (the "**Urban environmental governance services**").

As at 30 June 2026, the Group had 298 urban service projects, the movements of which, during the six months ended 30 June 2026, were as follow:

	Chinese Mainland projects	**Hong Kong projects**	**Total number of projects**
As at 1 January 2026	**202**	**49**	**251**
Newly added	**9**	**45**	**54**
Terminated to operate	**(6)**	**(1)**	**(7)**
As at 30 June 2026	**205**	**93**	**298**

The following table sets for an analysis of the urban services projects obtained during the six months ended 30 June 2026:

	Chinese Mainland projects	**Hong Kong projects**	**Total**
Number of urban services projects obtained	**9**	**45**	**54**
Total contract value *(RMB million)*	**448.9**	**2,466.3**	**2,915.2**
Estimated annual revenue *(RMB million)*	**159.3**	**790.2**	**949.5**

As at 30 June 2026, the Group successfully won a total of 54 urban services projects through public tender with total contract value and estimated annual revenue amounting to approximately RMB2,915.2 million and RMB949.5 million, respectively. This comprised 9 projects in Chinese Mainland with total contract value and estimated annual revenue amounting to approximately RMB448.9 million and RMB159.3 million, respectively; and 45 projects in Hong Kong with total contract value and estimated annual revenue amounting to approximately RMB2,466.3 million and RMB790.2 million, respectively.

During the six months ended 30 June 2026, the Group had recorded a total revenue of approximately RMB206.2 million in respect of these 54 projects located in Chinese Mainland and Hong Kong.

The Group operates its urban service projects under the following models:

Operating Models	**Chinese Mainland projects**	**Hong Kong projects**	**Total number of projects**
Operation & Maintenance ("**O&M**")			
• Urban Butler Integrated Service Project	**4**	**–**	**4**
• Comprehensive Cleaning Project	**109**	**4**	**113**
• Traditional Environmental Hygiene Service Project	**85**	**89**	**174**
Public-Private-Partnership ("**PPP**")			
• Build-Operate-Transfer ("**BOT**")	**3**	**–**	**3**
• Transfer-Operate-Transfer	**4**	**–**	**4**
Total	**205**	**93**	**298**

Under the O&M model, the Group acts as a third-party professional municipal operator for operation and maintenance for its customers, i.e., the local government, which usually outsource the municipal projects whose construction has been completed or nearly completed to the Group. With the rising specifications and requirements for urban governance stipulated by the policies in the PRC, improving the operational efficiency of urban management, enhancing the efficiency of the utilization of financial funds and reducing the cost of public services have become the core demands of the government competent authorities. Based on traditional environmental hygiene services, the Group has expanded its business boundary horizontally to strengthen its urban service capabilities on all fronts. Through the integration of its industrial chain, the Group has effectively integrated government services such as full regional sweeping and cleaning, garbage sorting, resource utilization, municipal maintenance, greening management and maintenance, garbage sorting and transportation, cityscape management and control, and digital urban management, thereby building a new urban management mode of "management + service + operation". The Group has developed an independent smart urban management platform to create the smart urban butler integrated service.

As of 30 June 2026, the Group had a total of 4 urban butler projects in operation, with an annual service fee amounting to approximately RMB603.0 million and a total contract value exceeding RMB5.2 billion.

Under the PPP model, the Group enters into operating concession arrangements with the local governments which regulate the scope and price of services that the Group provides by utilising the assets, and also set out the treatment of any significant residual interests in the assets at the end of the term of the arrangements.

Hazardous waste treatment business

Hazardous waste treatment business comprises the provision of hazard-free waste disposal services and sale of recycling and reuse products.

Disposal is mainly used for waste on which no other proper treatment methods are available. Hazard-free waste disposal aims to eliminate or minimise negative effect that hazardous waste may have on the environment. Landfill and incineration are two of the most common treatment methods for solid hazardous waste. For liquid hazardous waste, common treatment methods include flocculation and purification. Before being disposed of, hazardous waste needs to undergo certain pretreatment methods based on its nature. Common pretreatment methods include physical-chemical and solidification or stabilization.

Under the hazard-free waste disposal services, the Group processes and safely disposes of hazardous waste for industrial companies and medical institutions and charge them waste treatment fees. The Group's business mainly cover collection, transportation, storage and disposal of wastes such as medical waste and industrial solid waste.

By recycling waste methanol and mixed alcohol acquired by the Group, through its advanced recycling and reuse technology, the Group is able to produce related products such as methanol, ethanol, propanol and butanol and generates revenue from sales of these products. In addition, the reutilization technology also covers the storage, transportation, treatment, dehydration and product separation systems of silicon copper slag and etching solution wastewater, deodorization facilities and related auxiliary facilities. The wet disposal process is used to separate and recycle silicon copper slag, which becomes a useful supplement to the hazard-free business.

As at 30 June 2026, the Group had 10 hazardous waste treatment projects in operation (31 December 2025: 10 projects). Among these, 2 hazardous waste treatment projects provided integrated services encompassing both hazard-free disposal and recycling and reuse treatment services. As of 30 June 2026, the total design treatment capacity of treatment facilities that engaged in hazard-free disposal is 419,716 tons per annum (31 December 2025: 419,716 tons) and total design treatment capacity of treatment facilities that engaged in recycling and reuse is 280,000 tons per annum (31 December 2025: 280,000 tons).

During the six months ended 30 June 2026, driven by intensified competition in the industry, hazardous waste disposal treatment prices have continued to stay at low levels. Combined with the lower utilization of hazardous waste disposal capacity, this has rendered absorption of fixed costs more difficult. As a result, Xuzhou Project has incurred losses and experienced insufficient cash flow. Therefore, the Group recognised a provision for impairment of non-current assets during the six months ended 30 June 2026.

Other business

Other business represents waste electrical and electronic equipment treatment business. As of 30 June 2026, the Group had 2 revenue-generating waste electrical and electronic equipment treatment projects.

The Group procures waste electrical and electronic appliances mainly from local waste electrical and electronic appliances recycling stations. Types of dismantled equipment include computers, refrigerators, television sets, washing machines and air conditioners.

For the six months ended 30 June 2026, revenue from our waste electrical and electronic equipment treatment business amounted to approximately RMB161.8 million (six months ended 30 June 2025: RMB159.9 million), representing approximately 5.2% (six months ended 30 June 2025: 5.3%) of the Group's total revenue. Waste electrical and electronic equipment treatment business comprises sales of dismantled products and income from environmental decommissioning fees. During the six months ended 30 June 2026, as a result of the reduction in government subsidy rates, the business recorded negative gross margin and operating losses.

FINANCIAL PERFORMANCE

Revenue and gross profit margin

The Group's total revenue increased by approximately 3.1% from approximately RMB3,039.3 million for the six months ended 30 June 2025 to approximately RMB3,132.4 million for the six months ended 30 June 2026, primarily due to increase in revenue from the Group's urban services.

The Group's gross profit margin decreased from 20.2% for the six months ended 30 June 2025 to 17.9% for the six months ended 30 June 2026, primarily due to decrease in gross profit margin from urban services.

Urban services

The following table sets forth an analysis of the revenue and gross profit margin of the Group's urban services, categorized by geographical location of the operation:

	Revenue			**Gross profit margin**		
	2026	2025	Change	**2026**	2025	Change
	RMB'000	*RMB'000*	*%*	*%*	*%*	*%*
Urban Environmental Governance Services						
– Chinese Mainland	**2,309,719**	2,390,018	(3.4)%	**23.2%**	24.3%	(1.1)%
– Hong Kong	**401,374**	270,971	48.1%	**3.9%**	6.0%	(2.1)%
Subtotal	**2,711,093**	2,660,989	1.9%	**20.3%**	22.5%	(2.2)%
Construction Services						
– Chinese Mainland	**11,889**	3,190	272.7%	**8.0%**	8.0%	–
Total	**2,722,982**	2,664,179	2.2%	**20.3%**	22.4%	(2.1)%

During the six months ended 30 June 2026, the Group recorded a total revenue of RMB2,723.0 million (six months ended 30 June 2025: RMB2,664.2 million). As at 30 June 2026, the Group had a total of 298 urban service projects (30 June 2025: 239).

- Urban Environmental Governance Services

During the six months ended 30 June 2026, the Group recorded a total revenue of approximately RMB2,711.1 million (six months ended 30 June 2025: RMB2,661.0 million) from its urban services projects. The increase was mainly attributable to revenue from the urban environmental governance services in Hong Kong.

The gross profit margin of the Urban Environmental Governance Services in Chinese Mainland was 23.2% (six months ended 30 June 2025: 24.3%). The decrease in gross profit margin was mainly attributable to the increase in labor costs, vehicle and other operating costs in Chinese Mainland.

The gross profit margin of the Urban Environmental Governance Services in Hong Kong was 3.9% (six months ended 30 June 2025: 6.0%). The Group successfully won a number of leisure venue cleaning and waste collection services projects in Hong Kong with relatively lower gross profit margins, resulting in a decrease in the overall gross profit margin.

- Construction services

During the six months ended 30 June 2026, the Group had 1 service concession contract on a BOT basis in respect of its urban services. This urban services facility under construction was located in Sichuan Province. During the six months ended 30 June 2026, the Group recorded a total revenue of approximately RMB11.9 million (six months ended 30 June 2025: RMB3.2 million) from its construction services for urban services project.

The gross profit margin of construction services was approximately 8.0% (six months ended 30 June 2025: 8.0%). Under HK(IFRIC)-Int 12 Service Concession Arrangements, the Group recognises the construction revenue with reference to the fair value of the construction service delivered in the building phase. Construction revenue is recognised over time, using an input method.

Hazardous waste treatment services

The following table sets forth an analysis of the sales price of the Group's hazardous waste treatment services projects:

	2026	2025	Change
Revenue *(RMB'000)*	**247,610**	215,256	15.0%
Actual treatment/sales volume *(tons)*	**159,243**	144,920	9.9%
Average treatment/sales price *(RMB/ton)*	**1,555**	1,485	4.7%

During the six months ended 30 June 2026, the Group recorded a total revenue of RMB247.6 million (six months ended 30 June 2025: RMB215.3 million) from its hazardous waste treatment services projects. The increase was primarily attributable to the increase in the sales volume of recycling and reuse products and the increase in the average unit price for hazardous waste treatment.

In addition, the Group implemented cost control measures to enhance operational efficiency, resulting in an increase in the gross profit margin. Accordingly, the Group's gross profit margin of its hazardous waste treatment services projects increased from 0.3% for the six months ended 30 June 2025 to 6.2% for the six months ended 30 June 2026.

Other income and gains, net

Other income and gains, net for the six months ended 30 June 2026 increased to RMB26.1 million, as compared to corresponding period of last year of RMB17.9 million. The increase was mainly due to increase in government grants and rental income of motor vehicles and equipment.

Administrative expenses

Administrative expenses for the six months ended 30 June 2026 decreased to RMB248.9 million, as compared to the corresponding period in 2025 of RMB255.8 million. The decrease was mainly due to the cost control measures and optimization of the organizational structure and positions.

Other expenses

Other expenses for the six months ended 30 June 2026 increased to RMB48.7 million, as compared to the corresponding period of last year of RMB39.5 million. The increase was mainly due to increase in the impairment losses of trade receivables and Environmental decommissioning fees receivable and the loss on deregistration of a subsidiary during the six months ended 30 June 2026.

Finance costs

Finance costs mainly comprised of interests on bank borrowings. The decrease in finance costs was mainly due to decrease in market interest rates charged on bank borrowings during the six months ended 30 June 2026.

Impairment loss on property, plant and equipment, right-of-use assets and other intangible assets

During the six months ended 30 June 2026

The impairment loss on property, plant and equipment, right-of-use assets and other intangible assets represented the provision of impairment on the carrying amounts of certain property, plant and equipment and right-of-use assets (leasehold land) of the Xuzhou Project during the six months ended 30 June 2026.

The Xuzhou Project's non-current assets mainly include property, plant and equipment, and right-of-use assets (leasehold land) in an aggregate amount of approximately RMB173.2 million. Valtech Valuation Advisory Limited, a professional valuation firm accredited with ISO-9001 in valuation advisory services appointed by the Group, assessed the recoverable amount of the Xuzhou Project's non-current assets (being fair value less costs of disposal) to be approximately RMB46.2 million. Therefore, the Group recognised a provision for impairment loss in the amount of approximately RMB127.0 million on the hazardous waste related assets for the six months ended 30 June 2026.

Details of the provision for impairment of property, plant and equipment and right-of-use assets (leasehold land) of the Xuzhou Project were set out in the announcement of the Company dated 14 August 2026.

During the six months ended 30 June 2025

The impairment loss on property, plant and equipment, right-of-use assets and other intangible assets represented the provision of impairment on the carrying amounts of certain property, plant and equipment and other intangible assets from a hazardous waste treatment project during the six months ended 30 June 2025.

Details of the provision for impairment of non-current assets were set out in the announcement of the Company dated 15 August 2025.

Income tax expense

The income tax expense increased from RMB60.7 million for the six months ended 30 June 2025 to RMB71.5 million for the six months ended 30 June 2026. The increase was due to continuous business expansion in urban services.

Property, plant and equipment

Property, plant and equipment consist of buildings, plant and machinery, furniture, fixtures and equipment, motor vehicles and construction in progress. The decrease in property, plant and equipment was mainly due to (i) depreciation provided during the period; and (ii) impairment loss of property, plant and equipment provided during the period.

Right-of-use-assets

Right-of-use assets consist of buildings, motor vehicles and prepaid land lease premium. Decrease in right-of-use assets was mainly due to depreciation provided during the six months ended 30 June 2026.

Goodwill

Goodwill mainly represented the goodwill arose from the acquisition of subsidiaries engaged in urban services. The change was due to the foreign exchange difference.

Service concession arrangements

Service concession arrangements represented arrangements involving the Group as a provider of urban services on behalf of the relevant government agencies for a period of 15 to 30 years. The decrease was mainly due to amortisation provided during the six months ended 30 June 2026.

Trade and bills receivables

Increase in trade and bills receivables was mainly due to the business expansion in urban services and the extended collection period for trade receivables outstanding.

Environmental decommissioning fees receivable

Environmental decommissioning fees receivable represented government subsidies receivable from the PRC central government for the Group's waste electrical and electronic equipment treatment services projects.

Prepayments, deposits and other receivables

Prepayments, deposits and other receivables mainly represented prepayments for the Group's expenses and purchases of inventories, prepayments for the acquisition of property, plant and equipment and land use rights, guarantee deposits held by customers and receivables from related parties and non-controlling shareholders.

Cash and cash equivalents

Cash and cash equivalents increased by RMB115.6 million, primarily due to a decrease in cash outflows from investing activities, partially offset by a decrease in cash inflows from operating activities compared with the corresponding period of last year.

Trade and bills payables

Trade and bills payables mainly represented payables due to third parties for the procurement of raw materials used for Group's hazardous waste treatment business and fuel used by Group's mechanised vehicles and other consumables used for urban services.

Other payables and accruals

Other payables and accruals mainly represented payables for acquisition of property, plant and equipment, accruals for the Group's expenses, dividend payable, lease liabilities and payables to related parties and non-controlling shareholders. The increase was mainly due to the increase of the payables for acquisition of property, plant and equipment.

Interest-bearing bank borrowings

Increase in bank borrowings was mainly due to business expansion in urban services during the six months ended 30 June 2026.

Liquidity and financial resources

The Group adopts conservative treasury policies and controls tightly over its cash and risk management. The Group's cash and cash equivalents are mainly denominated in HK$ and RMB. Surplus cash is generally placed in short-term deposits denominated in HK$ and RMB.

As at 30 June 2026, the Group's cash and cash equivalents amounted to approximately RMB1,435.7 million (31 December 2025: approximately RMB1,320.1 million).

As at 30 June 2026, the Group's bank borrowings amounted to RMB2,631.7 million (31 December 2025: RMB2,523.4 million).

The net gearing ratio (defined as bank borrowings, net of cash and cash equivalents (the "**Net Debt Amounts**"), divided by the total equity) was 30.8% as at 30 June 2026 (31 December 2025: 30.8%).

Capital expenditures

During the six months ended 30 June 2026, the Group's total capital expenditures were RMB205.1 million (six months ended 30 June 2025: RMB127.0 million), out of which RMB163.8 million, RMB12.4 million and RMB28.9 million (six months ended 30 June 2025: RMB97.5 million, RMB12.3 million and RMB17.2 million) were the additions of property, plant and equipment, right-of-use assets and operating concession, respectively.

FUTURE OUTLOOK

In the second half of 2026, the Group actively responded to the national work requirements of driving a sound start to the 15th Five-Year Plan through high-quality development. By firmly adhering to the main theme of high-quality development, the Group concentrated its resources on advancing core strategies, drive the effective implementation of various operational initiatives, continuously build competitive barriers, and spare no effort in promoting the elevation of the Group's business value.

The Group will continue to deepen digital and intelligent empowerment to unlock operational efficiency. It will accelerate the iterative upgrade of digital platforms and leverage standardized and intelligent tools to refine the digital management and control system, thereby enhancing management efficiency. The Group will also optimize the workforce efficiency business intelligence (BI) system, integrate data links across multiple systems, unify data standards, and establish a routine data validation mechanism to facilitate data-driven decision-making. Concurrently, the Group will advance key breakthroughs in its core operations, steadily implement policy-supported debt resolution, improve operating cash flows, and consolidate the foundation of financial risk control; selectively expand high-quality incremental projects to solidify its core business fundamentals; and precisely implement cost reduction and efficiency enhancement measures to achieve coordinated progress in quality improvement, cost control, and revenue growth, thereby enhancing operational resilience and profitability stability.

Upholding the philosophy of "Building Foundations and Enhancing Quality to Embrace An Intelligent Rebirth", the Group will strengthen the product competitiveness of its urban services business, actively promote the pilot application and gradual roll-out of unmanned intelligent cleaning equipment and smart dispatch systems in new projects, optimize refined operations and human-robot collaboration working models, establish competitive barriers of digital intelligence differentiation, and facilitate the profound transformation of the business from scale expansion to value creation. Meanwhile, the Group will continuously carry out special governance on inefficient assets, stringently manage the operational risks of the hazardous waste business segment, adjust the business asset structure, revitalize existing resources, and improve the dual-control system for safety risks, thereby promoting the continuous value enhancement and efficiency improvement of the business.

Looking ahead, the Group will focus on the strategic direction of high-quality development characterized by "low risk, steady growth and strong profitability". By deeply integrating digital and intelligent empowerment, lean operations and risk prevention and control, the Group will steadily enhance its operational quality and efficiency, drive its steady and long-term progress, and create long-term, sound and sustainable returns for Shareholders.

CHARGES ON THE GROUP'S ASSETS

The secured bank borrowings of the Group as at 30 June 2026 are secured by:

(i) pledges over the Group's equity interest in subsidiaries and a non-controlling shareholder's equity interest in a subsidiary as at 30 June 2026 and 31 December 2025; and

(ii) pledges over certain of the Group's property, plant and equipment, right-of-use assets and operating concession rights as at 30 June 2026 and 31 December 2025.

Save as disclosed above, as at 30 June 2026, the Group did not have any charges on the Group's assets.

CONTINGENT LIABILITIES

At 30 June 2026, performance guarantees of RMB233,183,000 (31 December 2025: RMB103,963,000) were given by banks in favour of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and their customers.

FOREIGN EXCHANGE EXPOSURE

Majority of the subsidiaries of the Company operate in the PRC with most of the transactions denominated and settled in RMB. Certain of the subsidiaries of the Group have their assets and liabilities denominated in HK$. Fluctuations of exchange rates would impact the Group's net asset value due to currency translation in the preparation of the Group's consolidated accounts. If HK$ appreciates/depreciates against RMB, the Group would record a(n) decrease/increase in the Group's net asset value. During the six months ended 30 June 2026, the Group has not used derivative financial instruments to hedge against its foreign currency risk.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group employed 62,924 employees (30 June 2025: 67,198 employees) with total staff cost of approximately RMB1,652.0 million incurred for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately RMB1,747.2 million). The Group's remuneration packages are generally structured with reference to market terms and individual merits. Salaries are normally reviewed on an annual basis based on performance appraisals and other relevant factors.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

There were no significant investments, material acquisition and disposal of subsidiaries by the Group during the six months ended 30 June 2026.

INTERIM DIVIDEND

The Board declared an interim dividend of HK1.8 cents per ordinary share for the six months ended 30 June 2026, payable to the shareholders of the Company whose names appear on the register of members of the Company on Thursday, 10 September 2026.

CLOSURES OF REGISTER OF MEMBERS

The register of members will be closed from Tuesday, 8 September 2026 to Thursday, 10 September 2026 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for entitlement to the interim dividend, all properly completed transfer forms accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 7 September 2026. The interim dividend is expected to be paid on or around Thursday, 8 October 2026.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company for the six months ended 30 June 2026.

IMPORTANT EVENT AFFECTING THE GROUP AFTER THE REVIEW PERIOD

There was no other important event affecting the Group since 30 June 2026 and up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company focuses on maintaining high standards of corporate governance in order to achieve sustainable development and enhance corporate performance. The Board and the management of the Company strive for adhering to the principles of corporate governance and have adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, risk management, fair disclosure and accountability to all shareholders to ensure the transparency and accountability of all operations of the Company. The Company believes that effective corporate governance is an essential factor to enhance shareholders value and safeguard shareholders' interests. For further details of corporate governance practices of the Company, please refer to the "Corporate Governance Report" section contained in the Company's 2025 annual report.

During the six months ended 30 June 2026, the Company has applied the principles of good corporate governance and complied with all code provisions set out in the Corporate Governance Code (Appendix C1 of the Listing Rules of the Stock Exchange).

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the Directors. Having made specific enquiries to all the Directors, all the Directors have confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2026.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee comprises three independent non-executive Directors namely Mr. Wu Tak Kong (the chairman of the Audit Committee), Dr. Du Huanzheng and Ms. Judith Yu. The Audit Committee is primarily responsible for reviewing and providing supervision over the financial reporting procedure and risk management and internal control of the Company. The interim results of the Group for the six months ended 30 June 2026 have been reviewed by the Audit Committee. The Audit Committee considers that appropriate accounting policies have been adopted, and the applicable requirements of the Listing Rules have been complied with, in the preparation of relevant results, and sufficient disclosures have been made.

FORWARD LOOKING STATEMENTS

This announcement contains certain forward looking statements with respect to the financial condition, results of operations and business of the Group. These forward looking statements represent the Company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

Forward looking statements involve inherent risks and uncertainties. Readers should be cautioned that a number of factors could cause actual results to differ, in some cases materially, from those implied or anticipated in any forward looking statement or assessment of risk.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the websites of the Company (www.beur.net.cn) and the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the six months ended 30 June 2026 containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and made available on the abovementioned websites in due course.

APPRECIATION

The Board would like to express its sincere thanks to our shareholders and business partners for their continuous support and our staff for their dedication and hard work throughout the reporting period.

By Order of the Board
Beijing Enterprises Urban Resources Group Limited
Zhou Min
Chairman

Hong Kong, 25 August 2026

As at the date of this announcement, the executive directors of the Company are Mr. Zhou Min (Chairman), Mr. Zhao Kexi (Chief Executive Officer), Mr. Li Haifeng, Mr. Yu Liguo and Mr. Zhou Chen; and the independent non-executive directors of the Company are Mr. Wu Tak Kong, Dr. Du Huanzheng and Ms. Judith Yu.

* *for identification purpose only*